ANNUAL REPORT

2014

Year Ended March 31, 2014

KINDEN CORPORATION

Kinden

CONTENTS

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

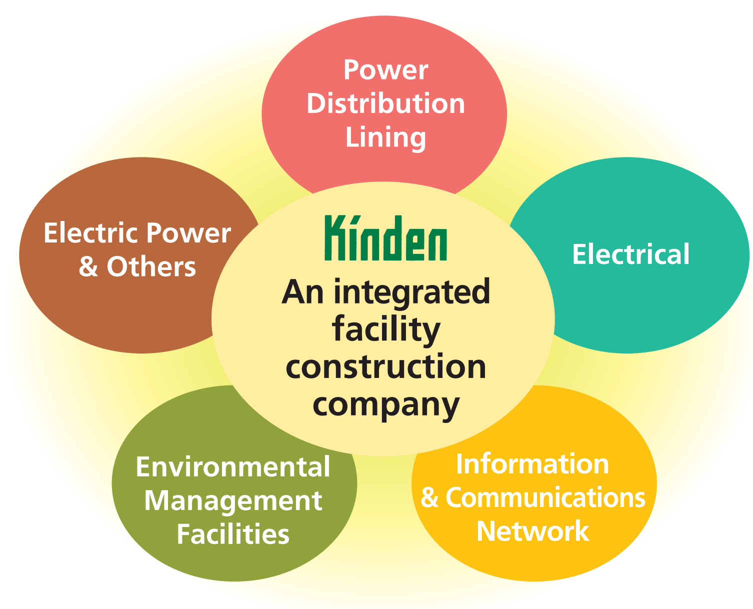
The future prospects described in this annual report concerning business planning, earnings, and management strategies are based on management views derived from supporting information available to Kinden Corporation at the time such information was prepared. Accordingly, readers are cautioned against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

PROFILE

Since its establishment in 1944 to undertake construction of urban and corporate infrastructure, Kinden Corporation has expanded its 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 facility construction 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 other companies in the industry, and we have built up over 60 years of experience and credentials in over 90 countries around the globe. In recent years, Kinden has expanded aggressively into the installation of social infrastructure, primarily in Southeast Asia.

Kinden's strength lies in **our integrated strengths**, which bring together cross-departmental intellectual capabilities, supported by **our technological capabilities** and **our overseas strategy** that will underpin future growth.
(see p. 4 – 5)

Kinden aims to further enhance its corporate value in the future as a integrated facility construction company with three pillars in **energy**, **environment** and **information**.



INTERVIEW WITH THE PRESIDENT

Q: Can you explain Kinden's business results for the fiscal year ended March 2014?

As for the business climate during the year under review, Japan's economy generally was on a path to recovery thanks to improvements in personal consumption and corporate profits underpinned by the weakening yen and rising stock prices.

The construction industry continued to face a challenging business climate caused mainly by weakening profitability from rising labor costs, despite a recovery in private capital expenditures and a steady increase in public works in the government's supplementary budget.

Under those conditions, the Kinden Group continued with its management policy of securing project volume and profits as well as proactively and boldly developed in sales activities by demonstrating its integrated strengths. This coupled with our efforts to reduce cost price, improve profitability, and achieve greater operational efficiencies helped us record an increase in both sales and profits on both a consolidated and non-consolidated basis.

As a result, consolidated net sales rose 4.7% from the previous fiscal year to ¥514,357 million, operating income increased 30.0% year on year to ¥25,691 million and net income rose 67.4% to ¥16,393 million. These favorable results reflect the robust sales recorded by Kinden Corporation and its subsidiaries. Additionally, the main factor attributed to the large percentage of increase in net income was a drop in tax expenses compared to the previous fiscal year.

On a non-consolidated basis, net sales rose 5.0% year on year to ¥448,275 million, operating income increased 2.6% year on year to ¥20,738 million, and net income rose 21.8% year on year to ¥13,148 million. As for net sales, despite a year on year decrease in Power Distribution works, all other segments were able to meet customer needs by adapting to changes in overall society and in energy and power systems, and in the process record an increase in sales. Meanwhile, despite the drop in Power Distribution work volume, operating income rose year on year thanks to further cost cutting efforts, as well as improved conditions for securing orders and cost price reduction initiatives seen in all other segments. In addition, the main factors behind the large increase in net income were a decrease in extraordinary losses and decrease in tax expenses compared to the previous fiscal year.

Net income per share increased ¥34.31 year on year on a consolidated basis to ¥73.92. On a non-consolidated basis, it increased ¥15.62 compared to the previous year to ¥59.29.

* Refer to Management's Discussion and Analysis on page 16 for further details.

Q: What is the status of Kinden's medium- to long-term management strategy?

Kinden Corporation will celebrate its 70th anniversary in September 2014. As a company engaged in urban and corporate infrastructure development, we have continually pursued our businesses since our founding in 1944 with a strong recognition of the public nature of our operations. We have developed an operating structure covering every corner of Japan as well as grown into a leading company in the integrated facility construction sector, underpinned by our powerful sales and marketing capabilities and advanced technological strengths.

To leverage our strengths and further establish the Kinden brand, we have launched a strategy for the next decade. Beginning with the fiscal year ending March 2015, we will carry out activities based on this strategy in order to strengthen our operating base, focusing on the four pillars of "contributions to the power infrastructure business," "further strengthening of community-focused business activities," "further expansion in the Greater Tokyo Metro Area," and

Consolidated Financial Highlights

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2013 and 2014

	Millions of yen		Thousands of U.S. dollars*[1]
	2013	2014	2014
Net sales	¥491,140	¥514,357	$4,997,646
Operating income	19,767	25,691	249,629
Net income	9,791	16,393	159,285
Total assets	510,209	518,464	5,037,551
Total net assets	347,949	341,364	3,316,793
	Yen		U.S. dollars*[1]
Net income per common share	¥39.61	¥73.92	$0.71
Cash dividends per common share	16.00	18.00	0.17

*[1] U.S. dollar amounts are computed using the March 31, 2014 exchange rate of ¥102.92=US$1.

"long-term expansion overseas." We are carrying our sound corporate activities to achieve these pillars, ensure safety and quality, and carry out management focused on compliance.

As for the business climate outside Japan, we foresee that investments will continue to be strong in the ASEAN region, including Thailand, Indonesia and Vietnam where we have three major sites located. Furthermore, with economic growth taking place in the region, we anticipate new growth to emerge from various fields, such as infrastructure works and commercial facility related works. In particular, in India, where strong growth is expected going forward, we will carry out activities focused on our local subsidiary established in 2012, and in Myanmar, which has garnered attention as the region's newest market, we are carrying out activities at our office that commenced sales activities in 2014. Our plans for both countries will be to grow our business presence while contributing to their infrastructure needs.

Going forward, Kinden is strengthening its revenue base in terms of both quality and quantity with an emphasis on Southeast Asia where strong facility investment has been sustained, and hopes to raise its profile in the market further.

Q: What is Kinden's stance on the return to shareholder and its policy on the company's dividend?

Kinden's basic principle places top priority on stable and sustainable dividends for shareholders, and we conduct a dividend policy that takes into account business results and other factors while simultaneously aiming for shareholder-oriented management.

In the fiscal year ended March 2014, we paid total dividends of ¥18 per share. This comprises an ordinary interim dividend of ¥6 per share and a year-end dividend of ¥12 per share, which consisted of an ordinary dividend of ¥6 per share, plus a special dividend of ¥4 per share based on our earnings performance and a commemorative dividend of ¥2 per share in celebration of our 70th anniversary.

Beginning with the fiscal year ending March 2015 we will increase our ordinary dividend from ¥12 to ¥14. We will pay a special dividend of ¥2 per share based on our earnings performance. As a result, we will pay an annual dividend of ¥16 per share, comprising an ordinary interim dividend of ¥7 per share and a year-end dividend of ¥9 per share, which includes the special dividend of ¥2 per share.

Q: What is your outlook and strategy for the fiscal year ending March 2015?

For the next fiscal year, we are forecasting consolidated net sales of ¥500,000 million (down 2.8% year on year) with

operating income of ¥22,000 million (down 14.4%) and net income of ¥15,000 million (down 8.5%) because of an anticipated drop in project volume, despite a year on year increase in orders on hand at the start of the fiscal year. On a non-consolidated basis, we project net sales of ¥432,000 million (down 3.6%) with operating income of ¥17,000 million (down 18.0%), and net income of ¥12,000 million (down 8.7%).

Moving forward, we anticipate a steady rebound and recovery in personal consumption and corporate capital expenditures thanks to a rise in exports and the effects of government policy in Japan.

The construction industry expects to see a recovery in corporate capital expenditures, but concerns suggest earnings in the industry will take a hit from soaring labor costs and construction delays caused by a shortage of skilled workers.

Given this situation, the Kinden Group will continue with its contributions to the electrical power infrastructure business and business activities focused on the local community. Additionally, we will respond accurately to customer needs by further strengthening our business presence in the Greater Tokyo Metro Area and expanding overseas with an eye on long-term growth. Furthermore, we will develop and strengthen our operating base by expanding operations, improving profitability, and utilizing as well as leveraging our human resources in new and exciting ways.

I would ask all our shareholders and investors for your continued support.

Yukikazu Maeda
President
June 2014

OUR STRENGTHS

In addition to delivering high quality services in each of its five business segments, Kinden comprehensively meets the needs of diverse customers through collaboration that transcends business segments. These integrated strengths, the technical capabilities that underpin them and the overseas strategy that the Company has stepped up in order to support medium- and long-term growth in the future are Kinden's strengths.

1. Our Integrated Strengths

As an integrated facility construction company, Kinden brings together technological capabilities and know how in diverse fields, primarily electrical facilities and including telecommunications, air conditioning and sanitation. Our strength is our ability to provide a one-stop service for all of our customers needs.

Power Distribution Lining

Kinden provides construction and maintenance works of the power distribution facilities (power poles, overhead and underground distribution lines, lines to the home, electric power meters, etc.) used by The Kansai Electric Power Co., Inc. to deliver power directly to customers. Kinden also undertakes the installation works of cable conduit boxes (C.C. BOX), as well as the installation works of home appliances such as induction heating (IH) ovens and electric water heater and electrical system upgrading works for individual residences.

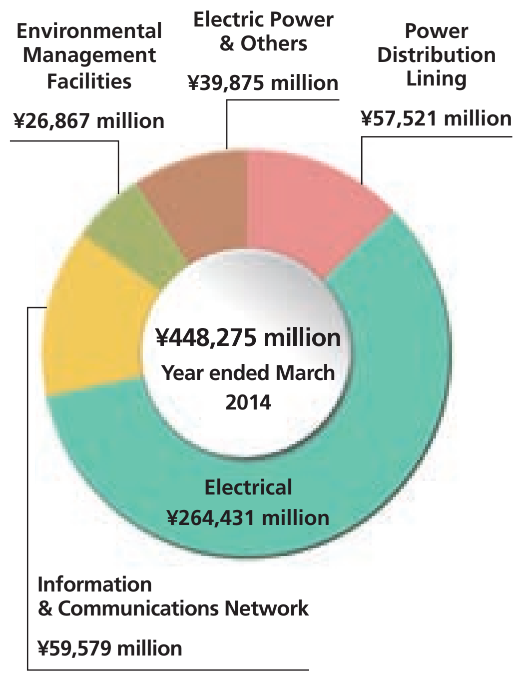
Electrical

Kinden provides consistent support for proposals, planning, design, construction, and maintenance of electrical systems installation in various types of facilities, including buildings and factories. The Company also conducts equipment diagnosis relating to renovation and other works and proposes engineering solutions for energy-saving as well as for realizing an optimum energy environment.

Information & Communications Network

Kinden is involved in a wide range of business activities, from infrastructure development such as fiber to the home (FTTH), cable television (CATV), and base stations for mobile communications, to the installation of instruments in factories and buildings, local area network (LAN), network cameras and security systems. In addition, as a system integrator, the Company builds optimum, high-cost-performance systems that are free from the constraints of manufacturers.

Net Sales by Segment (Non-Consolidated)



Environmental Management Facilities

Kinden undertakes installation of industrial air-conditioning in factories and general air-conditioning in office buildings and commercial and amusement facilities, health and medical facilities, as well as the installation of sanitation and plumbing systems and interior finish works in offices and large-scale condominiums with a focus on functionality and artistic design.

Electric Power & Others

Kinden primarily provides electrical construction and maintenance works for power plants, substations, and overhead and underground transmission lines and other facilities for electric power companies. The Company has also focused on the new energy sector, which includes wind and solar power generation, and on the construction of infrastructure mainly in Southeast Asia.

2. Our Technological Capabilities

A high level of technological capabilities is also one of Kinden's strengths. Kinden gives high priority to technical training for employees, and not only in Japan. With training in Japan for local staff of its overseas affiliates as well as the provision of training delivered onsite at our overseas locations, Kinden has nurtured engineers to play active roles in various countries.

In addition, Kinden employees have obtained excellent results at WorldSkills Competitions.

Going forward, Kinden will work actively to improve our technological capabilities, expand orders received in Japan and overseas and enhance the value added of our services, thus raising profitability and leading to ongoing orders.

Training of staff member of overseas group companies in Japan

3. Our Overseas Strategy

Kinden has more than 20 overseas sites at which approximately 1,600 employees of the Company and its local subsidiaries work. The Company is presently implementing further initiatives to make the overseas business one of the pillars of management. Kinden is laying a foundation based on three major centers in Vietnam, Indonesia and Thailand with our integrated strengths and a concentration of resources on Asia and will promote the expansion of its business from a long-term perspective by making greater contributions to Southeast Asia, including Myanmar and India.

Overseas Network (As of July 31, 2014)

RECENT MAJOR PROJECTS

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

Electrical

ABENO HARUKAS (Osaka)

Electric Power & Others

Relocation and elimination work on No.165 to 168 of Hime-Ni Line (Hyogo)

Power Distribution Lining

Installation work on power distribution lines of The Kansai Electric Power Co., Inc. (Nara)

Information & Communications Network

Eugenia Hall, Kyoto Notre Dame University (Kyoto)

Environmental Management Facilities

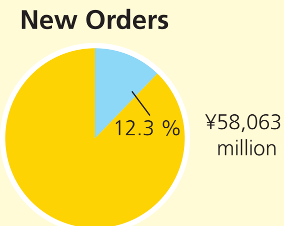
SWIMPIA NARA (Nara)

REVIEW OF OPERATIONS (NON-CONSOLIDATED)

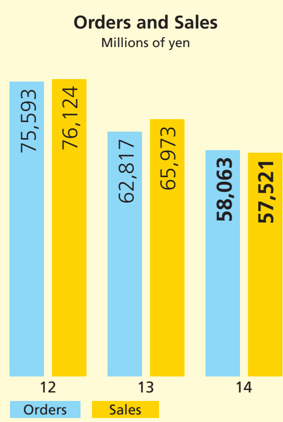
Summary by Segment

The summary by segment is on a non-consolidated basis. Orders received declined year on year in the Power Distribution Lining segment but rose in all other segments. Sales of completed construction contracts increased in the Information & Communications Network and Electric Power & Others segments, but decreased in all other segments. Moreover, orders received for renovation work were up 1.8% year on year to ¥132,254 million, growing for the fourth straight fiscal year. This field is expected to expand in the future, with heightened demand for energy savings, CO_2 reduction and environmentally friendly facilities.

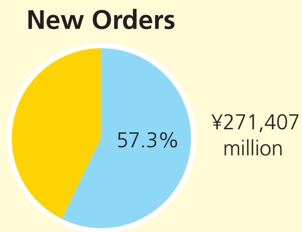
Power Distribution Lining



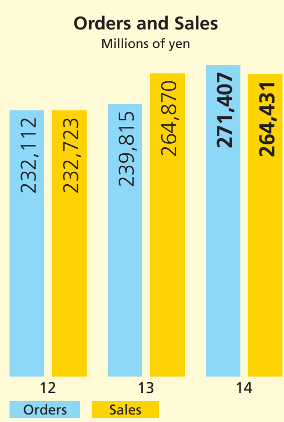
Orders received decreased 7.6% from the previous fiscal year to ¥58,063 million, affected by orders from The Kansai Electric Power Co., Inc. which were down 8.5%. Sales of completed construction contracts declined 12.8% from the previous fiscal year to ¥57,521 million, with sales to Kansai Electric Power down 13.8%. This segment is a stable business foundation for the Company, but work projects for Kansai Electric Power, which account for more than 95% of the segment total, are seeing a decline in repair works, including replacement of transformers and power line installation, and this uncertainty is expected to continue in the coming fiscal year and beyond. For other power distribution-related work, we will make use of our position as a company closely tied to the regions where we intend to increase orders mainly for high voltage bulk electric power receiving works for apartment buildings and LED conversion projects for security lighting.



Electrical

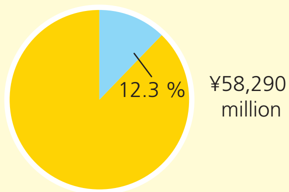


Orders received increased 13.2% from the previous fiscal year to ¥271,407 million, with sales of completed construction contracts down 0.2% to ¥264,431 million. By type, orders for office buildings, schools, hospitals and other facilities increased from the previous fiscal year. Sales of completed construction contracts declined slightly although this was affected by the completion of a number of large-scale contracts treated on a completed project basis prior to the introduction of the percentage of completion basis in the previous fiscal year. Excluding the impact from this, sales of completed construction contracts increased approximately ¥6,000 million due to growth in those for office buildings, distribution centers and other purposes. Going forward, we will strengthen our marketing efforts principally toward facilities related to the Tokyo Olympic Games as well as health and medical facilities and education and cultural facilities, which are relatively sheltered from fluctuations in the economy, and data centers and distribution centers, which enjoy firm demand. We will also more actively pursue overseas works centered on Southeast Asia through selection and concentration.



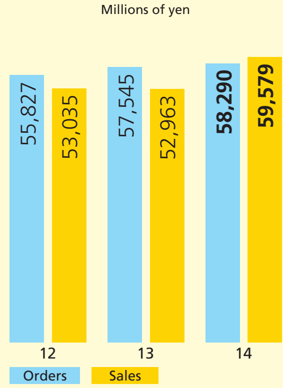
Information & Communications Network

New Orders



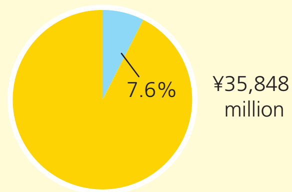
Orders received rose 1.3% from the previous fiscal year to ¥58,290 million, with sales of completed construction contracts up 12.5% to ¥59,579 million. The scale of orders for FTTH installation works from an affiliate of Kansai Electric Power contracted since these were centered on "last mile" works. Thus, both orders received and sales of completed construction contracts in this area declined. Although orders received for mobile phone base stations declined, sales of completed construction contracts rose substantially from the contribution of capital investment by telecommunications providers which have secured new bandwidth and construction of Long Term Evolution (LTE) and other next-generation communication networks. In the coming fiscal year and beyond, Kinden will actively pursue business development in such areas as building IT infrastructure at schools, hospitals and other facilities and the renovation market.

Orders and Sales
Millions of yen



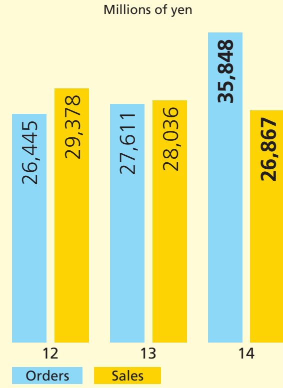
Environmental Management Facilities

New Orders



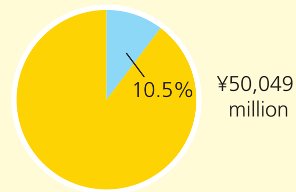
Orders received rose 29.8% from the previous fiscal year to ¥35,848 million, with sales of completed construction contracts down 4.2% to ¥26,867 million. The challenging environment for orders is persisting with lower works prices under intensified competition to win orders. Nevertheless, in the future, we will develop customers and business projects through proposals that precisely anticipate customer requirements at the same time as strengthening proposal-based marketing to customers for factory, hospital and other renovation work aimed at increasing orders for CO_2 reduction and energy saving improvement.

Orders and Sales
Millions of yen



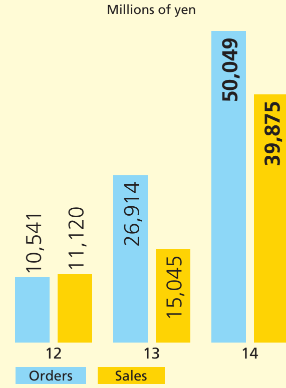
Electric Power & Others

New Orders



Orders received rose 86.0% from the previous fiscal year to ¥50,049 million, with sales of completed construction contracts up 165.0% to ¥39,875 million. The rise in orders and sales resulted mostly from the increase in solar power plant-related work, primarily mega-solar work, due to the implementation of the feed-in tariff system for renewable energy in July 2012. In the future, we will expand in the renewable energy sector, which is currently the focus of attention, at the same time as stepping up marketing efforts in such areas as repair of electrical transmission facilities for Kansai Electric Power, large-scale photovoltaic works, and overseas infrastructure projects.

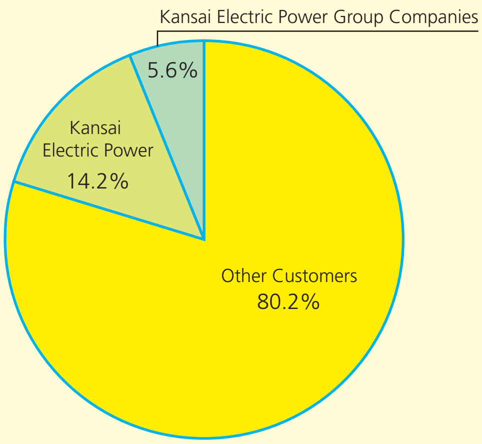
Orders and Sales
Millions of yen



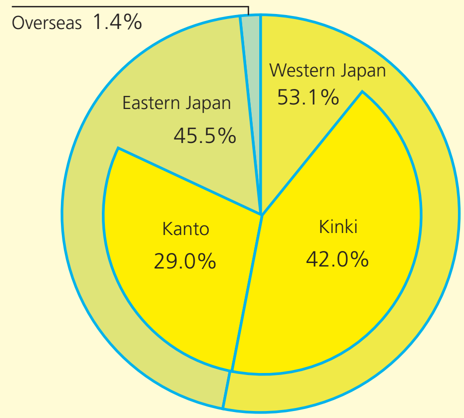
REVIEW OF OPERATIONS (NON-CONSOLIDATED)

Composition of Non-Consolidated Net Sales, Orders, and Costs

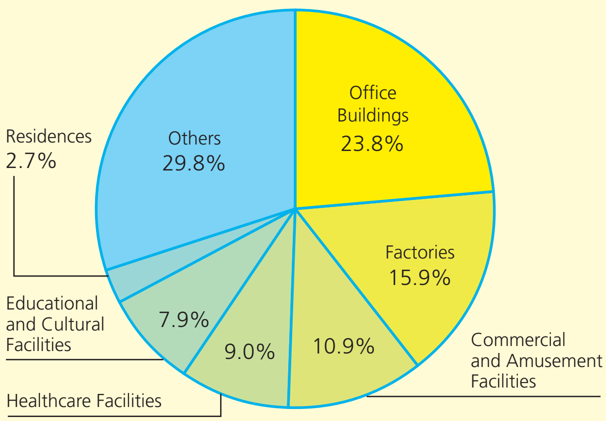
Net Sales by General Customers



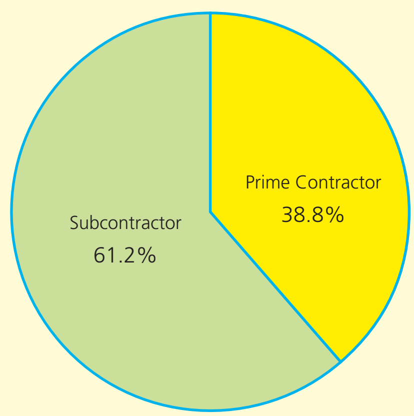
Net Sales by Region (excluding sales of Power Distribution Lining)



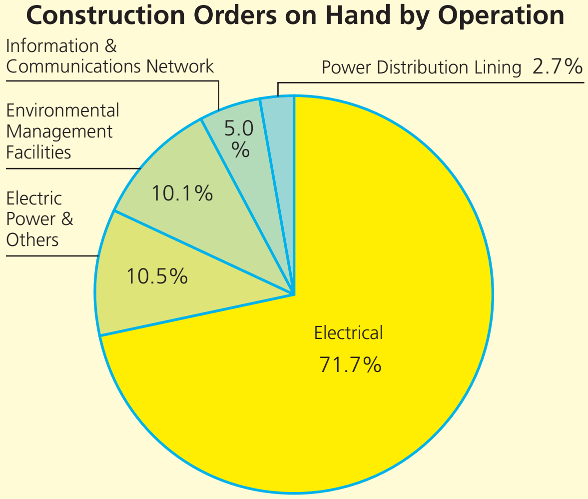
Net Sales by Facility (excluding sales of Power Distribution Lining)



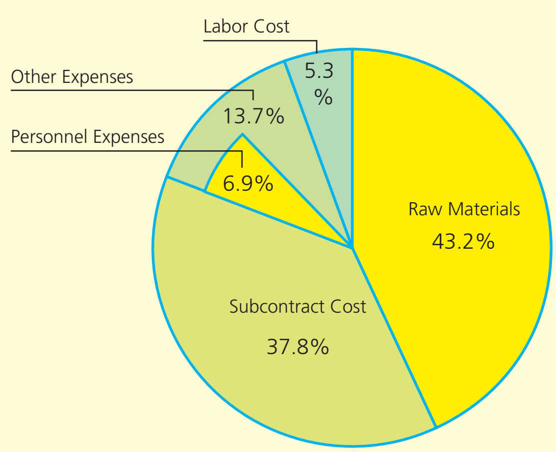
Net Sales by Prime Contractor and Subcontractor (excluding sales of Power Distribution Lining)



Construction Orders on Hand by Operation



Cost of Sales by Item



(For the fiscal year ended March 31, 2014)

TOPICS

Supporting Training for Electrical Engineers in Myanmar

Instructor training in Japan

Democratization in Myanmar has made progress under the new administration that came into being in 2011. Although it is receiving global attention as a promising market, the country also faces challenges, such as a shortage of engineers, which are obstacles to development. Therefore, Kinden has agreed to establish a local vocational training school for electrical engineers in partnership with a Japanese trading company and public institutions in Myanmar. In May 2012, six Myanmar nationals were selected to work as instructors at the school, and Kinden provided them specialized education at the Company's training facility from October 2012 for approximately six months. The school then opened in Yangon at the end of July 2013. The inaugural class of 20 students in each of the two courses in General Electrical Engineering and Electrical Engineering for Power Transmission and Distribution are striving to master the technology and skills of electrical engineering. Through this initiative, Kinden hopes to strengthen the ties between Japan and Myanmar and to contribute to the development of industry in Myanmar.

Transferring technology at lectures by storytellers talking about their personal experience

Every year Kinden runs Technology Transfer Training (Storyteller Training) for engineering employees in general construction departments at which senior engineers act as storytellers, who talk about their personal experience to teach junior engineers about the experience, knowledge and approaches they have learned on the job. The training began in 2002 with the objective of improving the skills of primarily young engineers, and approximately 7,700 engineers had received the training by fiscal 2013. In fiscal 2014, in addition to Japan, Kinden will also run the training at its overseas sites in Vietnam, Thailand and Indonesia for the first time. The Company aims to improve the safety and quality of its overseas projects by increasing the technological capabilities and knowledge of its employees posted overseas. Moreover, Kinden will expand the training recipients to all engineering employees in general construction departments by including not only young employees but also managerial grade employees to promote the extensive transfer of technology. The Company is committed to continuing to run this training in the future, maintaining and enhancing its technological capabilities by passing on the traditions and know how that it has cultivated since its founding to the next generation.

A lecture by a storyteller

CORPORATE GOVERNANCE

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.

Corporate Governance System

1. Overview of the corporate governance system

(1) The Company has adopted a Board of Auditors system. To ensure efficient management of the Company, the Standing Directors' Meeting (which meets twice a month and consists of the standing directors, and which is also attended by the standing auditors) is delegated by the Board of Directors with the authority to make all decisions pertaining to the development of the Company's overall management policies and plans as well as the efficient promotion of business operations, except for important matters that require a decision by the Board of Directors, pursuant to provisions of the Companies Act.

(2) Management Meetings (which are held twice a month and attended by chairman, vice chairman, president and vice presidents, etc.) deliberate fully on items on the agenda to be submitted to the Standing Directors' Meeting and important management policies.

(3) The Company has adopted an executive officer system, with the aim of speeding up the 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 its supervision over business operations by organizing Board of Directors' Meetings and Standing Directors' Meetings headed by the chairman on a regular basis.

(4) In addition to reports on business execution at Board of Directors' Meetings, the Company provides opportunities to report on and consider the status of business execution between the president and the auditors, in an effort to ensure sufficient supervision over business execution.

(5) The Company holds Executive Meetings (which meet every second month and consist of standing directors, standing auditors, general managers, managers at the head offices, and managers of branch offices) to ensure the carrying out of management policies Groupwide and the reliable flow of information within the Kinden Group. The Secretariat Department acts as a secretariat for the Executive Meetings.

(6) The Company has instituted a Compliance Committee (which meets twice a year and is attended by chairman, vice chairman, president, vice presidents, the representative of the auditors, and directors in charge of compliance) to enhance compliance functions. It has also set up a Risk Management Committee (which meets twice a year and consists of officers in charge and heads of major divisions at the head offices) in an effort to strengthen risk management functions. In addition, the Company has established a Quality and Safety Management Committee (which meets twice a year and is attended by directors, general managers, and managers at the head offices, who are in charge of quality and safety management) to enhance quality and safety management for construction and maintenance works. The General Affairs and Legal Department serves as a secretariat for the Compliance and Risk Management Committees, while the Safety, Quality, Environment Superintendence Department plays that role for the Quality and Safety Management Committee.

2. Reasons for adopting the corporate governance system

(1) Twelve directors, including an external director, check each other, while the five auditors, including the three external auditors, carry out audits in a strict and appropriate manner.

(2) Of the Company's five auditors, three are external auditors and one of them performs auditing work on a standing basis. The Company emphasizes such audits by the external auditors under its current structure. Based on this audit system, the Company seeks to enhance its monitoring function over management activities in cooperation with accounting auditors and the internal auditing department.

3. Status of the development of the internal control system

At a Board of Directors' Meeting held on May 15, 2006, the Company formulated basic policy for the internal control system, pursuant to provisions of the Companies Act. The General Affairs and Legal Department, which supervises the divisions relevant to internal control, revises the basic policy for internal control and provides information on it, to ensure that the internal control system works effectively in response to changes in laws and regulations and social environments. The Company has also instituted a whistle-blower system to enable the internal control system to function effectively.

The Compliance Committee (which meets twice a year) reports on and confirms the status of the internal control system and determines policies for the future to ensure that business is conducted appropriately and efficiently.

Status of Enhancement of the Risk Management System

The Company is instituting, in each area of responsibility, a system aimed at preventing the occurrence of risk as well as the avoidance or reduction of loss should a risk occur, by establishing Risk Management Rules and the Risk Management Committee.

Internal Audits and Auditors

Internal audits are conducted, as ordered by the president, by the Office of Administration (five members), which carries out regular operations audits on the structure and administration of internal controls and audits on specific items as specially instructed. The results are reported to the president and auditors.

The auditors supervise the business execution by the Board of Directors in accordance with policies set by the five-member Board of Auditors, by such means as attending Board of Directors and other important meetings, listening to business reports from the Board of Directors, and reviewing important documents. Additionally, regular meetings are set between the president and the auditors to provide opportunities to exchange information, and report and examine the execution of operations.

The auditors have high-level knowledge and judgment regarding finance and accounting. Of the five auditors, one standing auditor (full time) was previously served as the accounting department manager.

Relations with External Directors and External Auditors

One external director is designated and registered as an independent director based on financial instruments exchange regulations. There are three external auditors, two of whom also serve as directors at Kinden customer The Kansai Electric Power Co., Inc. Additionally, Kansai Electric Power holds 34.1% of Kinden's total shareholder voting rights as of March 31, 2014 (27.3% direct ownership and 6.8% indirect ownership), making Kansai Electric Power an affiliate. The third external auditor, who previously worked for Kansai Electric Power, is engaged in auditing at Kinden on a full-time basis, and maintains close communications with the other external auditors.

While Kinden does not have any specific standards for independence in appointing external directors and external auditors, the Company judges independence based on the standards for independent directors set by financial instruments exchanges.

External directors supervise the Board of Directors from their independent standpoint. External auditors conduct auditing works in close cooperation with the full-time external auditor and other auditors.

Remuneration of Directors and Auditors

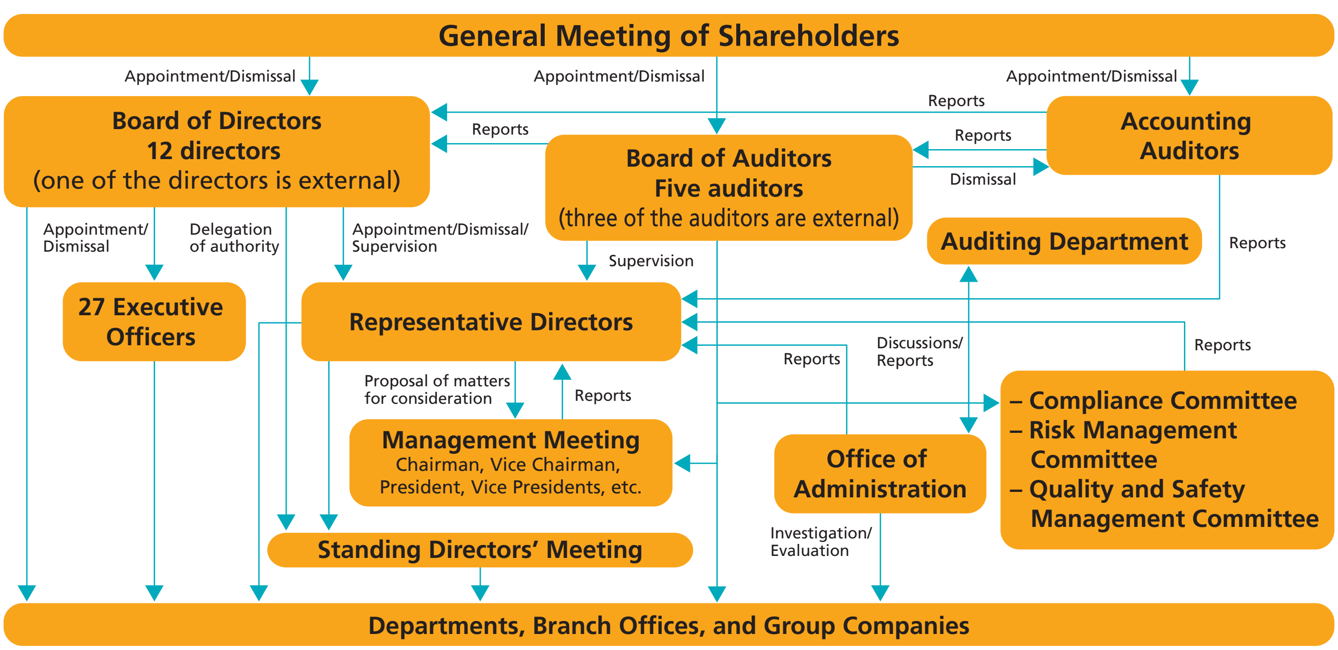
In the 100th fiscal term (the fiscal year ended March 31, 2014), remuneration paid to the Company's directors (excluding external directors) amounted to ¥571 million, remuneration paid to auditors (excluding external auditors) amounted to ¥70 million, and remuneration paid to external directors (including external auditors) amounted to ¥48 million.

The above compensation paid to directors and auditors includes compensation paid to directors and auditors who retired as of the conclusion of the 99th general shareholders meeting held June 25, 2013.

Remuneration for Audit Services

Remuneration paid to Hibiki Audit Corporation (Former PKF Osaka Audit Corporation, renamed on July 1, 2014) in the 100th fiscal term (the fiscal year ended March 31, 2014) for services set forth by the Certified Public Accountants Law totaled ¥43 million. No other remuneration was paid.

Corporate Governance Structure



CORPORATE SOCIAL RESPONSIBILITIES

ISO Certification

Kinden's 15 branch offices and headquarters divisions had obtained ISO9001 quality management system certification for general works by December 1999. At the same time, Kinden's Chuo Branch Office received ISO9001 certification for electric power works. By December 2001, the Office had been awarded ISO14001 certification for its environmental management system as well. Among overseas affiliates, P.T. Kinden Indonesia and Kinden (Thailand) Co., Ltd. obtained ISO9001 as did the Dubai Office and the Singapore Office among Kinden Corporation's overseas office. The Singapore Office also obtained ISO14001.

Taking advantage of this accomplishment, Kinden will implement measures to reduce environmental burden by proposing as well as promoting design and construction of environmentally friendly (resource- and energy-saving) facilities. Kinden is focusing on recycling in the construction field and, as "a company that contributes to creating a recycling oriented society" is committed to contributing to the movement toward environmental conservation.

Participation in Social Contribution Activities

Kinden actively participates in a variety of social contribution activities to help create a better living environment for local residents. Some examples are the annual cleaning of the stone walls at Wakayama Castle using Kinden's aerial platform service vehicle, and trimming trees and removing fallen limbs at elementary schools in Wakayama Prefecture each year. At Himeji Castle, which is a World Heritage site and currently undergoing extensive renovations and repairs of Heisei Era, Kinden is checking for burned-out floodlight bulbs and cleaning the glass in lighting fixtures, as well as removing fallen leaves, and other garbage and dust. Kinden's individual branch offices also participate continuously in community-based activities. For example, the Kyoto Institute visits local elementary schools to offer lessons on electricity. We will continue to actively participate in a wide range of corporate social responsibility activities for a better society.

Trimming trees at an elementary school in Wakayama Prefecture

Inspection and cleaning of external lighting, and picking up garbage around Himeji Castle

New Energy: Eco-Friendly Energy Systems Construction

In this age of mass energy consumption, global warming, and atmospheric pollution with CO_2 emissions from the burning of fossil fuels have been a major global environmental problem, and the need to ensure the efficient use of our limited natural resources has become a global issue. So-called "Renewable Energy" has been developed to help alleviate these problems and is attracting a great deal of attention. Kinden is actively involved in proposing and developing the implementation of eco-friendly energy systems that include solar and wind power generation facilities, fuel cells, and highly efficient co-generation systems that utilize both electricity and thermal energy.

Shiratakiyama solar power demonstration facility

Five-Year Financial Summary

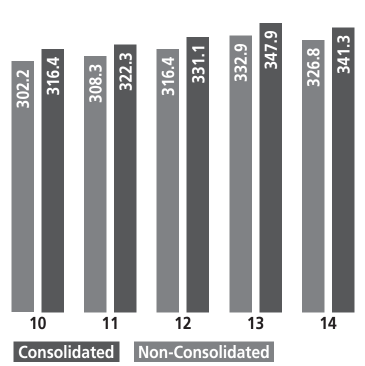
For the fiscal years ended March 31

	Consolidated					Non-Consolidated				
	Millions of yen					Millions of yen				
	2010	2011	2012	2013	**2014**	2010	2011	2012	2013	**2014**
FOR THE YEAR										
Net sales	¥496,751	¥478,516	¥455,563	¥491,140	**¥514,357**	¥452,286	¥441,815	¥402,381	¥426,889	**¥448,275**
Power distribution lining						77,601	75,769	76,124	65,973	**57,521**
Electrical						245,716	250,792	232,723	264,870	**264,431**
Information & communications network						62,818	58,869	53,035	52,963	**59,579**
Environmental management facilities						25,188	30,265	29,378	28,036	**26,867**
Electric power & others						40,961	26,118	11,120	15,045	**39,875**
Operating income	26,341	23,413	19,251	19,767	**25,691**	24,159	21,559	17,455	20,220	**20,738**
Net income	13,055	13,852	10,527	9,791	**16,393**	12,841	13,196	9,543	10,794	**13,148**
Comprehensive income	—	9,850	12,205	20,309	**25,243**	—	—	—	—	**—**
Capital investment	4,637	4,092	2,407	4,059	**2,820**	2,741	2,112	2,150	3,701	**976**
Depreciation and amortization	5,026	5,010	5,783	5,193	**4,708**	4,588	4,548	4,436	4,042	**3,459**
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	316,406	322,304	331,111	347,949	**341,364**	302,280	308,314	316,424	332,926	**326,851**
Total assets	509,518	484,604	484,914	510,209	**518,464**	483,435	453,319	451,026	472,654	**479,963**
Number of shares outstanding (excluding treasury stock) (Thousands)										
Balance at end of year	247,267	247,219	247,206	247,186	**217,131**	247,267	247,219	247,206	247,186	**217,131**
Number of employees (Persons)*	9,118	9,202	9,412	9,602	**9,557**	6,854	6,930	6,991	7,027	**6,992**
Equity ratio (%)	62.0	66.4	68.2	68.1	**65.6**	62.5	68.0	70.2	70.4	**68.1**
Return on equity (%)	4.2	4.3	3.2	2.9	**4.8**	4.4	4.3	3.1	3.3	**4.0**
Payout ratio (%)						30.8	26.2	36.3	36.6	**30.4**
Price-earnings ratio (Times)	15.51	13.51	15.01	15.91	**13.51**	15.77	14.18	16.55	14.43	**16.85**

* Number of employees (employees at work in Kinden) = Employees – Employees dispatched outside of Kinden + Workers dispatched by another company to Kinden

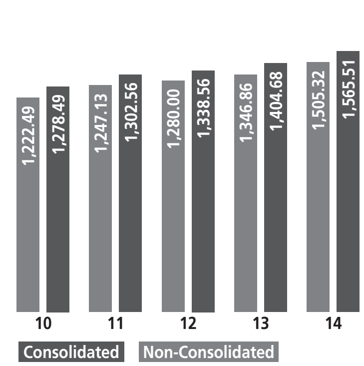
Net Assets

Billions of yen



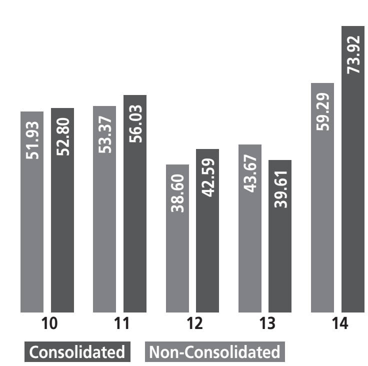
Net Assets per Common Share

Yen



Net Income per Common Share

Yen



RESULTS OF OPERATIONS

Consolidated net sales amounted to ¥514,357 million (US$4,997,646 thousand), an increase of ¥23,217 million from the previous fiscal year. Operating income totaled ¥25,691 million (US$249,629 thousand), an increase of ¥5,924 million from the previous fiscal year. Ordinary income stood at ¥28,174 million (US$273,750 thousand), an increase of ¥6,331 million from the previous fiscal year. Net income amounted to ¥16,393 million (US$159,285 thousand), an increase of ¥6,602 million from the previous fiscal year. Net sales, operating income, ordinary income and net income all outperformed the previous year because business performance at Kinden and its subsidiaries stayed strong.

FINANCIAL POSITION

Assets

Current assets amounted to ¥301,221 million, an increase of ¥2,762 million, or 0.9%, from the end of the previous fiscal year. This was mainly due to increases in notes receivable, accounts receivable from completed construction contracts and other despite the decrease in cash reserves (total of cash and deposits and short-term investment securities). Cash reserves decreased due to factors that included the acquisition of treasury stock.

Noncurrent assets rose ¥5,492 million, or 2.6%, from the end of the previous fiscal year to ¥217,243 million, mainly due to the increase in the market value of investment securities in the absence of any particularly significant capital investment.

As a result, total assets amounted to ¥518,464 million (US$5,037,551 thousand), an increase of ¥8,254 million, or 1.6%, from the end of the previous fiscal year.

Liabilities

Current liabilities increased ¥8,177 million, or 5.8%, from the end of the previous fiscal year to ¥148,585 million. This was mostly due to the increase in notes payable, accounts payable for construction contracts and other from the end of the previous fiscal year.

Noncurrent liabilities rose ¥6,662 million, or 30.5%, from the end of the previous fiscal year to ¥28,515 million, mostly because of the increase in deferred tax liabilities due to the rise in the market value of investment securities.

As a result, total liabilities amounted to ¥177,100 million (US$1,720,758 thousand), an increase of ¥14,840 million, or 9.1%, from the end of the previous fiscal year.

Net Assets

Capital surplus declined ¥189 million due to appropriation for the retirement of treasury stock. Retained earnings fell ¥24,735 million because of appropriation for the retirement of treasury stock and shareholder dividends despite the increase resulting from net income. Treasury stock fell ¥15,079 million owing to retirement. Valuation difference on available-for-sale securities rose ¥7,046 million due to the increase in the market value of investment securities. Due to a change in accounting standards in the fiscal year under review, unrecognized liabilities relating to retirement benefits were reflected on the consolidated balance sheet. Accompanying this, remeasurements of defined benefit plans were recorded as a deduction under net assets.

As a result, total net assets amounted to ¥341,364 million (US$3,316,793 thousand), a decrease of ¥6,585 million, or 1.9%, from the end of the previous fiscal year. The equity ratio stood at 65.6%, a decrease of 2.5 percentage points from the end of the previous fiscal year.

CASH FLOW ANALYSIS

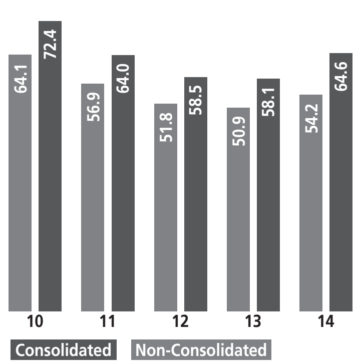
Net cash provided by operating activities in the fiscal year under review amounted to ¥13,706 million (US$133,178 thousand). This was mainly due to income before income taxes and minority interests and increase in notes and accounts payable - trade despite the increase in notes and accounts receivable - trade and income taxes paid.

Net cash provided by investing activities amounted to ¥5,987 million (US$58,172 thousand), mainly due to proceeds from withdrawal of time deposits and sales and redemption of investment securities despite expenditure due to the purchase of property, plant and equipment.

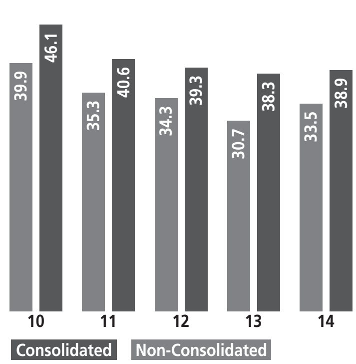
Net cash used in financing activities amounted to ¥26,119 million (US$253,786 thousand), mainly due to purchase of treasury stock and cash dividends paid.

As a result, cash and cash equivalents stood at ¥74,343 million (US$722,344 thousand), a decrease of ¥5,331 million from the end of the previous fiscal year.

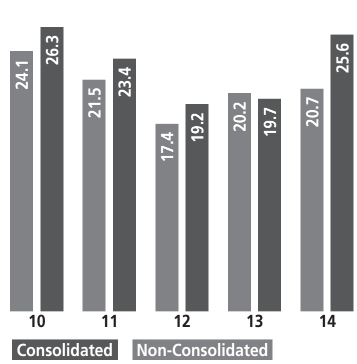
Gross Profit
Billions of yen



Selling, General and Administrative Expenses
Billions of yen



Operating Income
Billions of yen



RISK FACTORS

The following are risk factors that may have an impact on the Group's business results, share price and financial position.

Those future issues mentioned in this document are the risks that have been assessed by the Group as of the end of the fiscal year under review.

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.

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.

2. Increased materials costs

A sharp surge to higher levels than forecast in the price of raw materials, including prices for steel, copper, and other commodities, 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.

3. 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.

4. Restrained capital investment by electric power companies

The Kinden Group receives orders and carries out power distribution lining, electric power, and other work from The Kansai Electric Power Co., Inc., 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.

5. 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.

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, this may lead to a negative impact on the Group's results and financial position.

Impact of Large-scale Natural Disasters

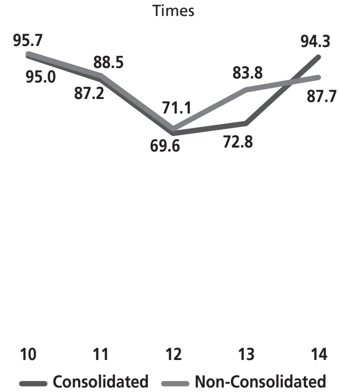
If a large-scale natural disaster occurs and Group facilities (buildings, cars, construction equipment, etc.) suffer damages, or if the domestic economy is disrupted as a result of a natural disaster, this may lead to a negative impact on the Group's results and financial position.

Legal Violations, etc.

Accompanying the cease and desist order and surcharge payment orders that the Company was issued with by the Japan Fair Trade Commission in January 2014 due to violation of the Antimonopoly Act regarding transactions with electric power companies, the Ministry of Land, Infrastructure, Transport and Tourism issued a business suspension order in May 2014 targeting private electrical works out of business related to electrical works nationwide for a period of sixty days (June 11, 2014 – August 9, 2014) based on the provision of paragraph 3, Article 28 of the Construction Business Act. The business suspension order could have a negative impact on the Group's results and financial position.

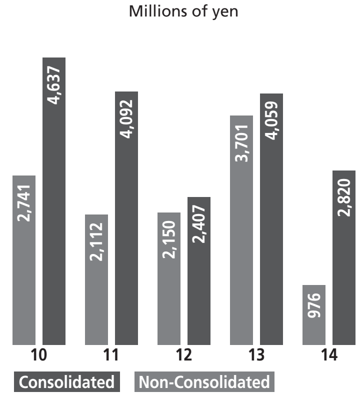
Interest Coverage Ratio

Times



Capital Investment

Millions of yen



Consolidated Balance Sheets

KINDEN CORPORATION AND SUBSIDIARIES
March 31, 2013 and 2014

ASSETS	Millions of yen 2013	Millions of yen 2014	Thousands of U.S. dollars 2014
CURRENT ASSETS:			
Cash and deposits	¥ 33,893	¥ 38,314	$ 372,276
Deposits paid	5,000	—	—
Notes receivable, accounts receivable from completed construction contracts and other	186,046	198,091	1,924,717
Short-term investment securities	49,000	40,000	388,651
Costs on uncompleted construction contracts	16,163	14,261	138,573
Raw materials and supplies	1,896	1,939	18,847
Deferred tax assets	6,466	6,132	59,581
Other	6,772	6,654	64,661
Allowance for doubtful accounts	(6,779)	(4,174)	(40,560)
Total current assets	298,458	301,221	2,926,749
NONCURRENT ASSETS:			
PROPERTY, PLANT AND EQUIPMENT:			
Buildings and structures	86,885	87,065	845,951
Machinery, equipment and vehicles	36,413	36,789	357,455
Tools, furniture and fixtures	10,593	10,754	104,495
Land	56,710	57,778	561,388
Construction in progress	12	—	—
Accumulated depreciation	(86,457)	(89,886)	(873,358)
Total property, plant and equipment	104,157	102,501	995,933
INTANGIBLE ASSETS	1,916	1,969	19,137
INVESTMENTS AND OTHER ASSETS:			
Investment securities	86,943	94,769	920,803
Long-term deposits	5,000	5,000	48,581
Prepaid pension cost	3,283	—	—
Net defined benefit asset	—	293	2,848
Deferred tax assets	823	3,853	37,439
Other	14,272	12,674	123,153
Allowance for doubtful accounts	(4,645)	(3,817)	(37,094)
Total investments and other assets	105,678	112,772	1,095,731
Total noncurrent assets	211,751	217,243	2,110,802
Total assets	¥510,209	¥518,464	$5,037,551

See the accompanying notes to consolidated financial statements.

LIABILITIES AND NET ASSETS

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
CURRENT LIABILITIES:			
Notes payable, accounts payable for construction contracts and other	¥ 81,669	¥ 84,774	$ 823,696
Short-term loans payable	16,600	16,903	164,235
Income taxes payable	6,324	7,835	76,127
Advances received on uncompleted construction contracts	11,279	12,525	121,705
Provision for loss on construction contracts	3,658	2,320	22,547
Provision for warranties for completed construction	462	539	5,240
Provision for directors' bonuses	175	190	1,854
Other	20,238	23,495	228,288
Total current liabilities	140,407	148,585	1,443,697
NONCURRENT LIABILITIES:			
Deferred tax liabilities	5,670	10,909	106,000
Provision for retirement benefits	15,339	—	—
Provision for directors' retirement benefits	267	229	2,230
Net defined benefit liability	—	17,004	165,222
Other	574	371	3,606
Total noncurrent liabilities	21,852	28,515	277,060
Total liabilities	162,260	177,100	1,720,758
NET ASSETS:			
SHAREHOLDERS' EQUITY:			
Capital stock			
Authorized: 600,000,000 shares			
Issued: 218,141,080 shares (2014)	26,411	26,411	256,621
Capital surplus	29,846	29,657	288,158
Retained earnings	287,755	263,020	2,555,583
Treasury stock	(15,881)	(802)	(7,795)
Total shareholders' equity	328,132	318,287	3,092,567
ACCUMULATED OTHER COMPREHENSIVE INCOME:			
Valuation difference on available-for-sale securities	20,556	27,602	268,197
Foreign currency translation adjustment	(1,471)	(347)	(3,381)
Remeasurements of defined benefit plans	—	(5,621)	(54,623)
Total accumulated other comprehensive income	19,084	21,633	210,193
MINORITY INTERESTS	732	1,444	14,032
Total net assets	347,949	341,364	3,316,793
Total liabilities and net assets	¥510,209	¥518,464	$5,037,551

Consolidated Statements of Income

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2013 and 2014

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Net sales of completed construction contracts	¥491,140	¥514,357	$4,997,646
Cost of sales of completed construction contracts	433,013	449,745	4,369,852
Gross profit on completed construction contracts	58,126	64,612	627,794
Selling, general and administrative expenses	38,359	38,920	378,164
Operating income	19,767	25,691	249,629
Non-operating income:			
Interest income	469	515	5,004
Dividends income	875	1,058	10,282
Real estate rent	278	339	3,298
Equity in earnings of affiliates	—	61	599
Foreign exchange gains	693	613	5,959
Other	598	688	6,689
Total non-operating income	2,915	3,276	31,835
Non-operating expenses:			
Interest expenses	290	289	2,812
Equity in losses of affiliates	91	—	—
Condolence money	81	118	1,149
Other	376	386	3,753
Total non-operating expenses	839	794	7,715
Ordinary income	21,843	28,174	273,750
Extraordinary income:			
Gain on sales of noncurrent assets	187	212	2,063
Gain on sales of investment securities	148	219	2,129
Total extraordinary income	336	431	4,193
Extraordinary loss:			
Loss on sales of noncurrent assets	32	304	2,960
Loss on retirement of noncurrent assets	43	65	639
Impairment loss	34	15	151
Loss on sales of investment securities	24	—	—
Loss on valuation of investment securities	178	93	912
Loss on change in equity	—	55	537
Surcharge	—	471	4,581
Other	13	1	18
Total extraordinary losses	327	1,008	9,802
Income before income taxes and minority interests	21,852	27,597	268,141
Income taxes–current	6,980	8,764	85,155
Income taxes–deferred	4,592	1,853	18,012
Total income taxes	11,572	10,618	103,167
Income before minority interests	10,280	16,979	164,973
Minority interests in income	488	585	5,688
Net income	¥ 9,791	¥ 16,393	$ 159,285

	Yen		U.S. dollars
	2013	2014	2014
Amounts per common share			
Net income	¥39.61	¥73.92	$0.71
Cash dividends	16.00	18.00	0.17

See the accompanying notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2013 and 2014

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Income before minority interests	¥10,280	¥16,979	$164,973
Other comprehensive income:			
Valuation difference on available-for-sale securities	9,488	7,069	68,689
Foreign currency translation adjustment	455	1,159	11,265
Share of other comprehensive income of associates accounted for using equity method	85	35	347
Other comprehensive income	10,028	8,264	80,302
Comprehensive income	¥20,309	¥25,243	$245,276
Comprehensive income attributable to:			
Comprehensive income attributable to owners of the parent	¥19,787	¥24,563	$238,667
Comprehensive income attributable to minority interests	521	680	6,608

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, 2013 and 2014

	Thousands	Millions of yen								
	Shares of common stock	Capital stock	Capital surplus	Retained earnings	Treasury stock	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Minority interests	Total net assets
Balance at April 1, 2012	266,065	¥26,411	¥29,847	¥281,425	¥(15,872)	¥11,045	¥(1,956)	—	¥ 210	¥331,111
Cash dividends, ¥14.0 per share				(3,460)						(3,460)
Net income				9,791						9,791
Purchase of treasury stock					(11)					(11)
Disposal of treasury stock			(0)		1					1
Net changes of items other than shareholders' equity						9,510	485		521	10,517
Balance at April 1, 2013	266,065	¥26,411	¥29,846	¥287,755	¥(15,881)	¥20,556	¥(1,471)	—	¥ 732	¥347,949
Cash dividends, ¥16.0 per share				(3,774)						(3,774)
Net income				16,393						16,393
Purchase of treasury stock					(22,464)					(22,464)
Disposal of treasury stock			0		0					0
Retirement of treasury shares	(47,924)		(189)	(37,354)	37,543					—
Net changes of items other than shareholders' equity						7,046	1,123	(5,621)	712	3,260
Balance at March 31, 2014	218,141	¥26,411	¥29,657	¥263,020	¥ (802)	¥27,602	¥ (347)	¥(5,621)	¥1,444	¥341,364

	Thousands	Thousands of U.S. dollars								
	Shares of common stock	Capital stock	Capital surplus	Retained earnings	Treasury stock	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Minority interests	Total net assets
Balance at April 1, 2013	266,065	$256,621	$290,000	$2,795,916	$(154,310)	$199,728	$(14,294)	—	$ 7,114	$3,380,776
Cash dividends, ¥16.0 per share				(36,676)						(36,676)
Net income				159,285						159,285
Purchase of treasury stock					(218,269)					(218,269)
Disposal of treasury stock			0		0					0
Retirement of treasury shares	(47,924)		(1,842)	(362,942)	364,784					—
Net changes of items other than shareholders' equity						68,468	10,913	(54,623)	6,918	31,676
Balance at March 31, 2013	218,141	$256,621	$288,158	$2,555,583	$ (7,795)	$268,197	$ (3,381)	$(54,623)	$14,032	$3,316,793

See the accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2013 and 2014

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 21,852	¥ 27,597	$ 268,141
Adjustments for:			
Depreciation	5,193	4,708	45,746
Impairment loss	34	15	151
Loss (gain) on change in equity	—	55	537
Increase (decrease) in allowance for doubtful accounts	(1,212)	(3,440)	(33,426)
Increase (decrease) in provision for loss on construction contracts	(1,957)	(1,337)	(12,996)
Increase (decrease) in provision for retirement benefits	(720)	—	—
Increase (decrease) in net defined benefit liability	—	364	3,544
Interest and dividends income	(1,345)	(1,573)	(15,287)
Interest expenses	290	289	2,812
Foreign exchange losses (gains)	(466)	(471)	(4,580)
Equity in (earnings) losses of affiliates	91	(61)	(599)
Loss (gain) on valuation of investment securities	178	93	912
Loss on valuation of membership	13	1	18
Loss (gain) on sales of property, plant and equipment	(155)	92	897
Loss on retirement of property, plant and equipment	43	65	639
Loss (gain) on sales of investment securities	(123)	(219)	(2,129)
Surcharge	—	471	4,581
Decrease (increase) in notes and accounts receivable–trade	(24,421)	(11,158)	(108,422)
Decrease (increase) in costs on uncompleted construction contracts	5,805	1,942	18,871
Decrease (increase) in other inventories	1,042	(26)	(255)
Decrease (increase) in prepaid pension costs	(3,185)	—	—
Decrease (increase) in net defined benefit asset	—	(4,420)	(42,951)
Increase (decrease) in notes and accounts payable–trade	11,011	2,953	28,699
Increase (decrease) in advances received on uncompleted construction contracts	(6,193)	963	9,366
Other	799	3,304	32,111
Sub-total	6,575	20,211	196,381
Interest and dividends income received	1,317	1,544	15,006
Interest expenses paid	(290)	(289)	(2,812)
Surcharge paid	—	(471)	(4,581)
Income taxes paid	(6,944)	(7,288)	(70,816)
Net cash provided by (used in) operating activities	658	13,706	133,178
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments into time deposits	(3,317)	(2,827)	(27,469)
Proceeds from withdrawal of time deposits	1,340	2,459	23,894
Payments of deposit	(10,000)	—	—
Proceeds from withdrawal deposit	—	5,000	48,581
Purchase of property, plant and equipment	(4,478)	(3,423)	(33,261)
Proceeds from sales of property, plant and equipment	291	459	4,463
Purchase of investment securities	(4,729)	(1,752)	(17,024)
Proceeds from sales and redemption of investment securities	3,951	5,044	49,018
Payments of loans receivable	(10)	(4)	(44)
Collection of loans receivable	21	22	216
Other	(452)	1,008	9,797
Net cash provided by (used in) investing activities	(17,383)	5,987	58,172
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase (decrease) in short-term loans payable	(889)	301	2,931
Proceeds from stock issuance to minority shareholders	—	3	34
Purchase of treasury stock	(11)	(22,464)	(218,269)
Proceeds from sales of treasury stock	1	0	0
Cash dividends paid	(3,460)	(3,774)	(36,676)
Cash dividends paid to minority shareholders	—	(26)	(262)
Other	(227)	(158)	(1,543)
Net cash provided by (used in) financing activities	(4,588)	(26,119)	(253,786)
EFFECT OF EXCHANGE RATE CHANGE ON CASH AND CASH EQUIVALENTS	745	1,094	10,630
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(20,568)	(5,331)	(51,804)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	100,243	79,675	774,149
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	¥ 79,675	¥ 74,343	$ 722,344

See the accompanying notes to consolidated financial statements.

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 ¥102.92 to US$1, the fixed-market rate on March 31, 2014. 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.

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

Consolidated subsidiaries:22

The names of the principal consolidated subsidiaries are as reported in Network on p.47 of the Annual Report.

Name of non-consolidated subsidiary

Kinden India Private Limited

The above company was established in October 2012 and is excluded from the scope of consolidation because it is a small company and its total assets, net sales, net income (proportionate to equity holding) and retained earnings (proportionate to equity holding) have no material effect on the consolidated financial statements.

2. Major Affiliates Accounted for by the Equity Method

Number of affiliates accounted by the equity method: 2

Names of affiliates accounted by the equity method

Kinki Freight Service Company, Incorporated
Bintai Kinden Corporation Bhd.

Name of subsidiary not accounted for by the equity method

Kinden India Private Limited

Names of affiliates not accounted for by the equity method

Yoshida Shisetsu Seibi SPC Ltd.
Otakanomori PFI Company, Limited
Sanyu Co., Ltd.

The 1 above non-equity method non-consolidated subsidiary and the 3 above non-equity method affiliates are excluded from the application of the equity method owing to their having no material effect on net income (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.

The financial statements relating to the fiscal year of each company are used in the preparation of the consolidated financial statements for those equity method affiliates whose closing date is different than the consolidated account closing date.

3. Fiscal Year-End of Consolidated Subsidiaries

Among the consolidated subsidiaries, the account closing date for US Kinden Corporation, Wasa Electrical Services, Inc., Kinden Pacific Corporation, Kinden International, Ltd., 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.

4. 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

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 after April 1, 1998 are depreciated by the straight-line method. The subsidiaries abroad 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

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).

Lease 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.

For leased assets related to finance leases that do not transfer ownership and began on or before March 31, 2008, accounting treatments complying with methods for ordinary lease transactions are being applied.

(3) Accounting Basis for Allowances

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 the management.

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.

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.

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.

Provision for directors' retirement benefits

To provide for the payment of directors' retirement benefits, fourteen 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

(a) Method of attributing expected benefit to period

To calculate retirement benefit obligation, the estimated amount of retirement benefits is attributed to the consolidated fiscal year under review based on the straight-line attribution method.

(b) 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.

(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

(a) 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.

(b) 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.

(c) 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.

(d) 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.

CHANGES IN ACCOUNTING METHOD

Accounting Standard for Retirement Benefits
From the end of the subject consolidated fiscal period, the Company has applied “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012, “Retirement Benefits Accounting Standard”) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012) (Excluding provisions in the text of paragraph 35 of Accounting Standard for Retirement Benefits and paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits). The Company has changed to a method of recording the amount of retirement benefit obligations less pension assets as liabilities pertaining to retirement benefits, and has recorded the transition obligation, unrecognized actuarial loss and unrecognized prior service cost, as liabilities pertaining to retirement benefits.

For the application of the Retirement Benefits Accounting Standard, in accordance with provisional treatment as prescribed by Paragraph 37 of the Retirement Benefits Accounting Standard, the amount of financial impact resulting from the subject change is assessed to the adjusted cumulative total pertaining to retirement benefits of accumulated other comprehensive income (AOCI).

As a result, at the end of the subject fiscal year, the Company recorded ¥293 million (US$2,848 thousand) in net defined benefit asset, and ¥17,004 million (US$165,222 thousand) in net defined benefit liability. Accumulated other comprehensive income (AOCI) decreased ¥5,621 million (US$54,623 thousand).

Net assets per share decreased ¥25.89 (US$0.25)

UNAPPLIED ACCOUNTING STANDARDS

—The Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan Statement No. 26, Issued on May 17, 2012)
—The Guidance on Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan Guidance No. 25, Issued on May 17, 2012)

(1) Overview
The accounting standard was revised centered on how unrecognized actuarial gains and losses and unrecognized past service obligations should be accounted for, how retirement benefit obligations and current service costs should be determined, and enhancement of disclosure.
(2) Scheduled Effective Date
The revision to how retirement benefit obligations and current service costs are determined will be applied from the start of the fiscal year ending March 31, 2015.
The accounting standard and guidance provide for interim treatment, thus the revised accounting standard will not apply retroactively to the consolidated financial statements for previous periods.
(3) The Impact of the Adoption of the Revised Accounting Standard and Guidance
The amount of the impact of the revision to how retirement benefit obligations and current service costs are determined on the consolidated financial statements is expected to decrease ¥1,447 million (US$14,064 thousand) at the beginning of the fiscal year ending March 31, 2015.

CHANGE IN PRESENTATION

Consolidated Statement of Income
For the fiscal year ended March 31, 2013, real estate rent was included in “other” under non-operating income, but is listed separately for the fiscal year ended March 31, 2014, because the amount exceeds 10% of non-operating income. The classifications in the consolidated financial statements for the fiscal year ended March 31, 2013 have been adjusted to reflect this change.

As a result, the ¥877 million (US$9,330 thousand) in other under non-operating income previously shown for the fiscal year ended March 31, 2013, has been reclassified as ¥278 million (US$2,965 thousand) of rent on real estate income and ¥598 million (US$6,365 thousand) of other non-operating income.

For the fiscal year ended March 31, 2013, condolence money was included in “other” under non-operating expenses, but is listed separately for the fiscal year ended March 31, 2014, because the amount exceeds 10% of non-operating expenses. The classifications in the consolidated financial statements for the fiscal year ended March 31, 2013 have been adjusted to reflect this change.
As a result, the ¥457 million (US$4,866 thousand) in other under non-operating expenses previously shown for the fiscal year ended March 31, 2013, has been reclassified as ¥81 million (US$864 thousand) of condolence money and ¥376 million (US$4,002 thousand) of other non-operating expenses.

Notes to Consolidated Balance Sheets

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

March 31

	Millions of yen		Thousands of U.S. dollars
	2013	**2014**	**2014**
Investment securities-equity..........	¥1,934	**¥2,031**	**$19,736**

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
	2013	2014	2014
Investment securities-equity.........	¥22	¥22	$218
Investments and other assets-long-term loans receivable..........	32	31	307

3. Guarantee obligations

Kinden provides guarantees for obligations with respect to non-consolidated companies.

March 31

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
BAN-BAN Networks Co., Ltd.........	¥20	¥20	$195

4. Discounted notes receivable

March 31

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Discounted notes receivable.........	¥8	—	—

5. Both costs on uncompleted construction contracts relating to construction projects that are expected to incur losses and provision for loss on construction contracts are presented with no offsetting.

Amount of costs on uncompleted construction contracts corresponding to provision for loss on construction contracts

March 31

Millions of yen		Thousands of U.S. dollars
2013	2014	2014
¥208	—	—

6. 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
	2013	2014	2014
Buildings and structures, machinery and vehicles..............	¥5,172	¥5,172	$50,255

7. Notes receivable

The clearing date is treated as settlement for notes that mature on the consolidated balance sheet date.

As the last day of fiscal 2013 was a bank holiday, the following notes that matured on the consolidated balance sheet date are included in the balance for March 31, 2013.

March 31

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Notes receivable...........................	¥270	—	—

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 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
2013	2014	2014
¥21	¥0	$8

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
2013	2014	2014
¥1,976	¥1,001	$9,733

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
	2013	2014	2014
Employees salaries	¥17,673	¥19,182	$186,379
Retirement benefit expenses	1,964	1,942	18,877
Provision of allowance for doubtful accounts......................	(779)	(2,102)	(20,424)

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
2013	2014	2014
¥395	¥386	$3,757

5. The breakdown of gain on sales of noncurrent assets is as follows:
For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Buildings and structures	—	¥ 50	$ 485
Machinery and vehicles	¥5	12	124
Tools, furniture and fixtures	0	0	2
Land	103	101	983
Membership	78	48	466
Total	¥187	¥212	$2,063

6. The breakdown of loss on sales of noncurrent assets is as follows:
For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Buildings and structures	¥12	¥ 48	$ 474
Machinery and vehicles	5	2	28
Land	14	250	2,434
Membership	—	2	23
Total	¥32	¥304	$2,960

7. Impairment losses
For the fiscal years ended March 31, 2013 and 2014, the Group recorded the following impairment losses for asset groups.
For the fiscal year ended March 31, 2013

Application	Location	Type	Millions of yen
Idle assets	Kinki region:		
	5 properties	Land	¥25
	Other: 8 properties	Land	8

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 ¥34 million (US$364 thousand) were recorded.

All recoverable values of idle assets were determined based on net sales prices calculated as appraised values determined mainly in accordance with real estate appraisal standards, less estimated disposal costs.

For the fiscal year ended March 31, 2014

Application	Location	Type	Millions of yen	Thousands of U.S. dollars
Idle assets	Kinki region:			
	3 properties	Land	¥8	$80
	Other: 8 properties	Land	7	70

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 ¥15 million (US$151 thousand) were recorded.

All recoverable values of idle assets were determined based on net sales prices calculated as appraised values determined mainly in accordance with real estate appraisal standards, less estimated disposal costs.

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
	2013	2014	2014
Valuation difference on available-for-sale securities			
Amount recorded during the period	¥14,520	¥11,074	$107,603
Reclassification adjustments	4	(177)	(1,728)
Amount before tax effect adjustments	14,524	10,896	105,875
Tax effect	(5,036)	(3,827)	(37,186)
Valuation difference on available-for-sale securities	9,488	7,069	68,689
Foreign currency translation adjustment			
Amount recorded during the period	455	1,159	11,265
Reclassification adjustments	—	—	—
Foreign currency translation adjustment	455	1,159	11,265
Share of other comprehensive income of associates accounted for using equity method			
Amount recorded during the period	85	35	347
Total other comprehensive income	¥10,028	¥ 8,264	$ 80,302

NOTES TO CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

For the fiscal year ended March 31, 2013

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, 2012	Increase	Decrease	At March 31, 2013
Stock issued				
Common stock	266,065	—	—	266,065
Total	266,065	—	—	266,065
Treasury stock				
Common stock	18,858	21	1	18,878
Total	18,858	21	1	18,878

(Note) The increase of 21 thousand shares in the number of common shares of treasury stock is due to the purchase of less-than-a-trading-unit shares.

The decrease of 1 thousand shares in the number of common shares of treasury stock is due to sales to meet requests for purchases of less-than-a-trading-unit shares.

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 27, 2012	Common stock	¥1,977 million	¥8.0	March 31, 2012	June 28, 2012
Board of Directors' Meeting on October 31, 2012	Common stock	¥1,483 million	¥6.0	September 30, 2012	November 30, 2012

(2) Dividends with a date of record during the current fiscal year ended March 31, 2014 and an effective date during the next fiscal year

Resolution	Class of shares	Total dividends	Dividends per share	Dividends per share	Record date	Effective date
General Meeting of Shareholders on June 25, 2013	Common stock	¥2,471 million	Retained earnings	¥10.0	March 31, 2013	June 26, 2013

For the fiscal year ended March 31, 2014

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, 2013	Increase	Decrease	At March 31, 2014
Stock issued				
Common stock	266,065	—	47,924	218,141
Total	266,065	—	47,924	218,141
Treasury stock				
Common stock	18,878	30,055	47,924	1,009
Total	18,878	30,055	47,924	1,009

(Note) The decrease of 47,924 thousand shares in the number of common issued shares is due to the retirement of treasury stock.

The increase of 30,055 thousand shares in the number of common shares of treasury stock is due to market buying (30,000 thousand shares) and the purchase of less-than-a-trading-unit shares (55 thousand shares).

The decrease of 47,924 thousand shares in the number of common shares of treasury stock is due to the retirement of treasury stock (47,924 thousand shares) and sales to meet requests for purchases of less than-a-trading-unit shares (0 thousand shares).

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, 2013	Common stock	¥2,471 million $24,017 thousand	¥10.0 $0.09	March 31, 2013	June 26, 2013
Board of Directors' Meeting on October 30, 2013	Common stock	¥1,302 million $12,659 thousand	¥6.0 $0.05	September 30, 2013	November 29, 2013

(2) Dividends with a date of record during the current fiscal year ended March 31, 2014 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 25, 2014	Common stock	¥2,605 million $25,316 thousand	Retained earnings	¥12.0 $0.11	March 31, 2014	June 26, 2014

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

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 is as follows:

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2013	**2014**	**2014**
Cash and deposits	¥33,893	**¥38,314**	**$372,276**
Deposits paid	5,000	**—**	**—**
Deposits with maturities longer than 3 months	(3,217)	**(3,970)**	**(38,583)**
Deposits paid with maturities longer than 3 months	(5,000)	**—**	**—**
Short-term investment with maturities within 3 months after the date of acquisition	49,000	**40,000**	**388,651**
Cash and cash equivalents	¥79,675	**¥74,343**	**$722,344**

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. It also deposits funds for use in group finance within The Kansai Electric Power Group.

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

Long-term deposits are with Kanden Business Support Corporation, a subsidiary of The Kansai Electric Power Co., Inc., and the credit risk arising from nonperformance of contract is deemed to be negligible.

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.

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

Short-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 "4. 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, 2013

	Millions of yen		
	Book value	Market value	Difference
(1) Cash and deposits	¥ 33,893	¥ 33,893	—
(2) Deposits paid	5,000	5,000	—
(3) Notes receivable, accounts receivable from completed construction contracts and other*	179,857	179,857	(0)
(4) Short-term investment securities and investment securities	131,207	131,059	(148)
(5) Long-term deposits	5,000	5,003	3
Total assets	¥354,958	¥354,813	¥(144)
(1) Notes payable, accounts payable for construction contracts and other	81,669	81,669	—
(2) Short-term loans payable	16,600	16,600	—
Total liabilities	¥ 98,269	¥ 98,269	—
Derivatives	—	—	—

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

March 31, 2014

	Millions of yen		
	Book value	Market value	Difference
(1) Cash and deposits	¥ 38,314	¥ 38,314	—
(2) Notes receivable, accounts receivable from completed construction contracts and other*	193,976	193,976	(0)
(3) Short-term investment securities and investment securities	130,071	129,994	(77)
(4) Long-term deposits	5,000	5,003	3
Total assets	¥367,362	¥367,289	¥(73)
(1) Notes payable, accounts payable for construction contracts and other	84,774	84,774	—
(2) Short-term loans payable	16,903	16,903	—
Total liabilities	¥101,678	¥101,678	—
Derivatives	—	—	—

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

March 31, 2014

	Thousands of U.S. dollars		
	Book value	Market value	Difference
(1) Cash and deposits	$ 372,276	$ 372,276	—
(2) Notes receivable, accounts receivable from completed construction contracts and other*	1,884,728	1,884,726	(1)
(3) Short-term investment securities and investment securities	1,263,813	1,263,064	(749)
(4) Long-term deposits	48,581	48,619	38
Total assets	$3,569,400	$3,568,687	$(713)
(1) Notes payable, accounts payable for construction contracts and other	823,696	823,696	—
(2) Short-term loans payable	164,235	164,235	—
Total liabilities	$ 987,932	$ 987,932	—
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 short-term investment securities

Assets

(1) Cash and deposits

Deposits 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

The market values of these assets were determined as the present values of individual receivables classified by time period and discounted at 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.

(4) Long-term deposits

The market value of these assets is the current value discounted at a rate that takes account of time to maturity and credit risk.

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.

(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
	2013	**2014**	**2014**
Unlisted stocks, etc.	¥4,735	**¥4,697**	**$45,641**

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, 2013

	Millions of yen			
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years
Cash and deposits	¥ 33,893	—	—	—
Deposits paid	5,000	—	—	—
Notes receivable, accounts receivable from completed construction contracts and other	185,858	29	31	125
Short-term investment securities and investment securities				
Held-to-maturity debt securities (Corporate bonds)	4,000	20,159	12	—
Held-to-maturity debt securities (Negotiable certificate of deposits)	49,000	—	—	—
Long-term deposits	—	5,000	—	—
Total	¥277,752	¥25,188	¥44	¥125

March 31, 2014

	Millions of yen			
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years
Cash and deposits	¥ 38,314	—	—	—
Notes receivable, accounts receivable from completed construction contracts and other	197,915	25	32	119
Short-term investment securities and investment securities				
Held-to-maturity debt securities (Corporate bonds)	4,000	17,369	—	—
Held-to-maturity debt securities (Negotiable certificate of deposits)	40,000	—	—	—
Long-term deposits	—	5,000	—	—
Total	¥280,229	¥22,394	¥32	¥119

March 31, 2014

	Thousands of U.S. dollars			
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years
Cash and deposits	$ 372,276	—	—	—
Notes receivable, accounts receivable from completed construction contracts and other	1,922,998	244	316	1,158
Short-term investment securities and investment securities				
Held-to-maturity debt securities (Corporate bonds)	38,865	168,762	—	—
Held-to-maturity debt securities (Negotiable certificate of deposits)	388,651	—	—	—
Long-term deposits	—	48,581	—	—
Total	$2,722,791	$217,588	$316	$1,158

(Note 4) As of the amount of 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, 2013

	Millions of yen		
	Book value	Market value	Difference
(1) Securities whose market value exceeds the book value			
Bonds payable	¥13,104	¥13,242	¥138
Subtotal	13,104	13,242	138
(2) Securities whose market value is equal to or lower than the book value			
Bonds payable	11,157	11,035	(122)
Negotiable certificates of deposit	49,000	49,000	—
Subtotal	60,157	60,035	(122)
Total	¥73,262	¥73,278	¥ 16

March 31, 2014

	Millions of yen		
	Book value	Market value	Difference
(1) Securities whose market value exceeds the book value			
Bonds payable	¥15,001	¥15,200	¥198
Subtotal	15,001	15,200	198
(2) Securities whose market value is equal to or lower than the book value			
Bonds payable	6,452	6,366	(86)
Negotiable certificates of deposit	40,000	40,000	—
Subtotal	46,452	46,366	(86)
Total	¥61,454	¥61,567	¥112

March 31, 2014

	Thousands of U.S. dollars		
	Book value	Market value	Difference
(1) Securities whose market value exceeds the book value			
Bonds payable	$145,761	$147,694	$1,933
Subtotal	145,761	147,694	1,933
(2) Securities whose market value is equal to or lower than the book value			
Bonds payable	62,696	61,858	(837)
Negotiable certificates of deposit	388,651	388,651	—
Subtotal	451,347	450,509	(837)
Total	$597,109	$598,204	$1,095

2. Other Securities

March 31, 2013

	Millions of yen		
	Book value	Acquisition cost	Difference
(1) Securities whose market value exceeds the acquisition cost			
Equity	¥53,087	¥22,083	¥31,004
Subtotal	53,087	22,083	31,004
(2) Securities whose market value is equal to or lower than the acquisition cost			
Equity	3,973	4,679	(705)
Other	528	528	—
Subtotal	4,502	5,207	(705)
Total	¥57,589	¥27,291	¥30,298

March 31, 2014

	Millions of yen		
	Book value	Acquisition cost	Difference
(1) Securities whose market value exceeds the acquisition cost			
Equity	¥64,954	¥23,402	¥41,551
Subtotal	64,954	23,402	41,551
(2) Securities whose market value is equal to or lower than the acquisition cost			
Equity	2,713	3,068	(355)
Other	547	547	—
Subtotal	3,261	3,616	(355)
Total	¥68,215	¥27,019	¥41,195

March 31, 2014

	Thousands of US dollars		
	Book value	Acquisition cost	Difference
(1) Securities whose market value exceeds the acquisition cost			
Equity	$631,113	$227,389	$403,723
Subtotal	631,113	227,389	403,723
(2) Securities whose market value is equal to or lower than the acquisition cost			
Equity	26,361	29,819	(3,457)
Other	5,323	5,323	—
Subtotal	31,685	35,142	(3,457)
Total	$662,799	$262,532	$400,266

3. Available-for-Sale Securities Sold

For the fiscal year ended March 31, 2013

	Millions of yen		
	Sold	Total gain on sales	Total loss on sales
Equity	¥418	¥148	¥24
Total	¥418	¥148	¥24

For the fiscal year ended March 31, 2014

	Millions of yen		
	Sold	Total gain on sales	Total loss on sales
Equity	¥518	¥219	—
Total	¥518	¥219	—

For the fiscal year ended March 31, 2014

	Thousands of US dollars		
	Sold	Total gain on sales	Total loss on sales
Equity	$5,038	$2,129	—
Total	$5,038	$2,129	—

4. Impairment Loss on Securities

For the fiscal year ended March 31, 2013

During the fiscal year ended March 31, 2013, the Company recognized impairment loss on securities of ¥178 million. Among available-for-sale securities, the Company recognized impairment loss of ¥148 million on stocks with market values and ¥29 million on stocks without market values.

The Group determines impairment loss on the stocks in question based on "significant decline," which it defines as a decline of 30% or higher in the market value for stocks 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, 2014

During the fiscal year ended March 31, 2014, the Company recognized impairment loss on securities of ¥93 million (US$912 thousand). Among available-for-sale securities, the Company recognized impairment loss of ¥27 million (US$267 thousand) on stocks with market values and ¥66 million (US$644 thousand) on stocks without market values.

The Group determines impairment loss on the stocks in question based on "significant decline," which it defines as a decline of 30% or higher in the market value for stocks 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, 2013 and 2014

Not applicable.

RETIREMENT BENEFITS

For the fiscal year ended March 31, 2013

1. Outline of the Adopted Retirement Benefit Plan

The Company has defined benefit plans in the form of an employee pension plan and a lump-sum employee benefit plan.

Some of the consolidated subsidiaries are enrolled in the employee pension plan, lump-sum employee benefit plan, and retirement allowance mutual aid system.

2. Matters concerning employees retirement benefit obligation

	Millions of yen
a. Benefit obligation	¥ (112,553)
b. Market value of pension plan assets	84,737
c. Unfunded benefit obligation (a + b)	(27,816)
d. Unamortized portion of actuarial differences	23,090
e. Unrecognized prior service cost	(7,330)
f. Net amount recognized in balances sheets (c + d + e)	(12,055)
g. Prepaid pension costs.	3,283
h. Provision for retirement benefits (f - g)	¥ (15,339)

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

3. Matters concerning employees retirement cost

	Millions of yen
a. Service cost (Note)	¥ 3,472
b. Interest cost	1,998
c. Expected return	(1,430)
d. Amortization value of actuarial loss	2,429
e. Amortization of prior service cost	(563)
f. Accrued employees retirement cost (a + b + c + d + e)	¥ 5,906

(Note) Employees retirement cost of consolidated subsidiaries that calculate employees retirement benefits by the simple method is included in Service cost.

4. Basis of presentation of employees retirement benefit obligation

a. Allocation of estimated severance benefit costs	Straight-line method over period
b. Discount rate	1.4%, 0.8%
c. Expected return on assets	2.0%, 1.2%

d. Amortization of prior service cost
15 years (Prior service cost is amortized by the straight-line method over a set number of years within the average remaining service years of employees at the time year incurred.)

e. Amortization of actuarial differences
Mainly 15 years (By the straight-line method over a set number of years, which falls within the average remaining service years of employees at the time the actuarial difference is incurred for each consolidated fiscal year. Amortization begins from the following fiscal year.)

For the fiscal year ended March 31, 2014

1. Outline of the Adopted Retirement Benefit Plan

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

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
Opening balance of projected benefit obligations	¥112,553	$1,093,603
Service cost	3,877	37,671
Interest cost	1,537	14,943
Actuarial loss	(1,035)	(10,063)
Retirement benefits provided	(4,912)	(47,735)
Closing balance of projected benefit obligations	¥112,020	$1,088,419

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

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

	Millions of yen	Thousands of U.S. dollars
Opening balance of plan assets	¥84,737	$823,334
Expected return on plan assets	1,682	16,346
Actuarial gain	3,857	37,482
Contribution of employer	8,975	87,208
Retirement benefits paid	(3,944)	(38,327)
Closing balance of plan assets	¥95,308	$926,045

(3) Reconciliation schedule for the closing balance of projected benefit obligations and plan assets, and for liabilities and assets related to retirement benefits recorded in the consolidated balance sheet

	Millions of yen	Thousands of U.S. dollars
Projected benefit obligations, funded plan	¥95,183	$924,827
Plan assets	(95,308)	(926,045)
	(125)	(1,217)
Projected benefit obligations, unfunded plan	16,836	163,591
Net amount of liabilities and assets recognized in the consolidated balance sheets	16,711	162,374
Liabilities related to retirement benefits	17,004	165,222
Assets related to retirement benefits	(293)	(2,848)
Net amount of liabilities and assets recorded on the balance sheet	¥16,711	$162,374

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

	Millions of yen	Thousands of U.S. dollars
Service cost	¥ 3,877	$ 37,671
Interest cost	1,537	14,943
Expected return on plan assets	(1,682)	(16,346)
Amortization value of actuarial loss	2,721	26,445
Amortization value of prior service cost	(563)	(5,478)
Retirement benefit expenses related to defined benefit plans	¥ 5,890	$ 57,234

(Note) Employees retirement cost of consolidated subsidiaries that calculate employees retirement benefits by the simple method is included in Service cost.

(5) Cumulative adjustments related to retirement benefits

The breakdown of items recorded in cumulative adjustments related to retirement benefits (before tax effect deductions) is as follows

	Millions of yen	Thousands of U.S. dollars
Unrecognized prior service cost	¥(6,766)	$ (65,747)
Unrecognized actuarial loss	15,475	150,366
Total	¥ 8,708	$ 84,618

(6) 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.

	%
Domestic bonds	40
Domestic equities	14
Foreign bonds	6
Foreign equities	10
Insurance assets (General account)	27
Cash and deposits	1
Others	2
Total	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.

(7) Items concerning actuary calculation bases

Main actuary calculation bases for the current fiscal year

Discount rate	1.4%, 0.8%
Long-term expected rate of return	2.0%, 1.2%

DEFERRED TAX ACCOUNTING

1. Principal Components of Deferred Tax Assets and Liabilities

March 31

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Deferred tax assets			
Allowance for doubtful accounts	¥ 3,780	¥ 2,460	$ 23,902
Accrued expenses	3,297	3,867	37,574
Accrued enterprise tax	526	580	5,643
Provision for retirement benefits	4,345	—	—
Net defined benefit liability	—	5,970	58,007
Loss on valuation of investment securities	1,317	1,298	12,621
Loss on valuation of memberships	611	579	5,626
Impairment loss	457	436	4,241
Provision for loss on construction contracts	1,390	826	8,027
Unrealized gains	1,129	1,007	9,789
Others	3,582	4,020	39,065
Sub-total deferred tax assets	20,439	21,047	204,499
Valuation allowance	(8,764)	(8,087)	(78,580)
Total deferred tax assets	¥ 11,674	¥ 12,959	$ 125,918
Deferred tax liabilities			
Valuation difference on available-for-sale securities	(9,749)	(13,581)	(131,956)
Reserve for advanced depreciation of noncurrent assets	(116)	(116)	(1,130)
Others	(189)	(186)	(1,810)
Total deferred tax liabilities	¥(10,055)	¥(13,883)	$(134,898)
Net deferred tax assets	1,619	(924)	(8,979)

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

	%	
	2013	2014
Effective statutory tax rate	38.0	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.
(Adjustment)		
Permanently non-deductible expenses	4.9	
Permanently non-taxable income	(0.7)	
Increase (decrease) in valuation allowance	10.9	
Others	(0.2)	
Effective tax rate after adopting tax effect accounting	53.0	

3. Correction of the amount of deferred tax assets by the changes of the income tax rates

With the promulgation of the Law for the Partial Revision of the Income Tax Act, Etc. (Act No. 10, 2014) on March 31, 2014, the special corporate tax for reconstruction will not be levied from the consolidated accounting fiscal year beginning on April 1, 2014. Accordingly, the normal effective statutory tax rate used in calculation of deferred tax assets and deferred tax liabilities in the consolidated accounting fiscal year in review, with respect to the temporary difference expected to be canceled in the consolidated accounting fiscal year beginning on April 1, 2014, is revised from 38.0% in the previous consolidated accounting fiscal year to 35.6%.

As a result, the value of deferred tax assets has declined by ¥366 million (US$3,558 thousand), and the value of adjustments to corporate income taxes recorded in the consolidated accounting fiscal year in review has increased by ¥366 million (US$3,558 thousand).

ASSET RETIREMENT OBLIGATION

For the fiscal years ended March 31, 2013 and 2014

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, 2013 and 2014

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, 2013 and 2014

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

Related Information

For the fiscal year ended March 31, 2013

(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 Co., Inc.	¥73,811	Facility Construction Business

For the fiscal year ended March 31, 2014

(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 Co., Inc.	¥64,787	$629,494	Facility Construction Business

Information about Impairment Loss on Noncurrent Assets for Each Reporting Segment

For the fiscal years ended March 31, 2013 and 2014

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 years ended March 31, 2013 and 2014

Not applicable.

Information about Gain on Negative Noodwill for Each Reporting Segment

For the fiscal years ended March 31, 2013 and 2014

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, 2013

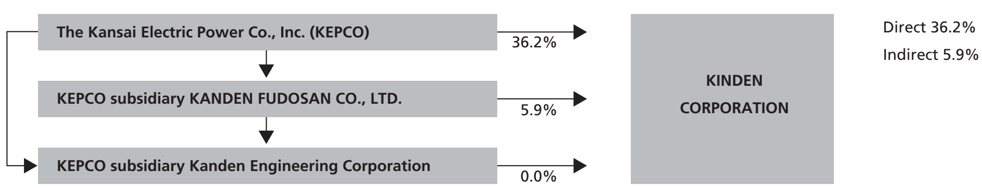
<table>
<tr><th>Type of transaction</th><th>Name of company or individual (address)</th><th>Capital stock or investment</th><th>Description of business or position</th><th>Percentage of voting rights held</th><th colspan="2">Transactions between related parties</th></tr>
<tr><td rowspan="6">Other affiliates</td><td rowspan="6">The Kansai Electric Power Co., Inc. (Kita-ku, Osaka)</td><td>¥489,320 million</td><td>Electric power business</td><td>(Held)
Direct Indirect
36.2% 5.9%
[See Figure 1]</td><td colspan="2">Receipt of orders for power distribution construction and transmission line construction, etc.
Concurrent service of directors</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="3">Operating transactions</td><td rowspan="2">Electrical projects orders</td><td rowspan="2">¥72,619 million</td><td>Accounts receivable from completed construction contracts</td><td>¥11,399 million</td></tr>
<tr><td>Advances received on uncompleted construction contracts</td><td>¥ 778 million</td></tr>
<tr><td>Purchases of construction materials</td><td>¥10,246 million</td><td>Accounts payable for construction contracts</td><td>¥ 879 million</td></tr>
<tr><td>Non-operating transactions</td><td>Sales of construction materials, etc.</td><td>¥ 19 million</td><td>Accounts receivable–other</td><td>¥ 0 million</td></tr>
</table>

(Note 1) Consumption taxes are not included in transaction amounts 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.

Construction contracts for electrical projects orders are signed following negotiations based on appropriate prices, reflecting market prices and other factors.

Figure 1



(Note 3) Percentage of voting rights held is calculated based on the number of shares with voting rights owned as of March 31, 2013.

For the fiscal year ended March 31, 2014

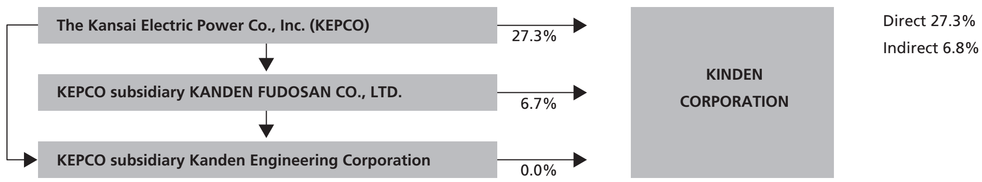
<table>
<tr><th>Type of transaction</th><th>Name of company or individual (address)</th><th>Capital stock or investment</th><th>Description of business or position</th><th>Percentage of voting rights held</th><th colspan="2">Transactions between related parties</th></tr>
<tr><td rowspan="5">Other affiliates</td><td rowspan="5">The Kansai Electric Power Co., Inc. (Kita-ku, Osaka)</td><td>¥489,320 million
$4,754,379 thousand</td><td>Electric power business</td><td>(Held)
Direct Indirect
27.3% 6.8%
[See Figure 1]</td><td colspan="2">Receipt of orders for power distribution construction and transmission line construction, etc.
Concurrent service of directors</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="3">Operating transactions</td><td rowspan="2">Electrical projects orders</td><td rowspan="2">¥63,452 million
$616,519 thousand</td><td>Accounts receivable from completed construction contracts</td><td>¥10,930 million
$106,204 thousand</td></tr>
<tr><td>Advances received on uncompleted construction contracts</td><td>¥445 million
$4,326 thousand</td></tr>
<tr><td>Purchases of construction materials</td><td>¥8,554 million
$83,122 thousand</td><td>Accounts payable for construction contracts</td><td>¥818 million
$7,955 thousand</td></tr>
</table>

(Note 1) Consumption taxes are not included in transaction amounts 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.

Purchases of materials are materials supplied for a cost, and construction contracts for electrical projects orders are signed following negotiations based on appropriate prices, including the prices for purchases of materials, reflecting market prices and other factors.

Figure 1



(Note 3) Percentage of voting rights held is calculated based on the number of shares with voting rights owned as of March 31, 2014.

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, 2013

<table>
<tr><td>Type of transaction</td><td>Name of company or individual (address)</td><td>Capital stock or investment</td><td>Description of business or position</td><td>Percentage of voting rights held</td><td colspan="2">Transactions between related parties</td></tr>
<tr><td rowspan="4">Subsidiaries of other affiliates</td><td rowspan="4">Kansai Power Business Support Corporation (Kita-ku, Osaka)</td><td>¥10 million</td><td>Money lending and payment intermediation business</td><td>—</td><td colspan="2">Deposit of funds</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 colspan="2" rowspan="2">Deposit of funds</td><td rowspan="2">¥10,000 million</td><td>Deposits paid</td><td>¥5,000 million</td></tr>
<tr><td>Long-term deposits</td><td>¥5,000 million</td></tr>
</table>

(Note) The rate of interest on deposits is determined with reference to the market rate.

For the fiscal year ended March 31, 2014

<table>
<tr><td>Type of transaction</td><td>Name of company or individual (address)</td><td>Capital stock or investment</td><td>Description of business or position</td><td>Percentage of voting rights held</td><td colspan="2">Transactions between related parties</td></tr>
<tr><td rowspan="3">Subsidiaries of other affiliates</td><td rowspan="3">Kansai Power Business Support Corporation (Kita-ku, Osaka)</td><td>¥10 million
$97 thousand</td><td>Money lending and payment intermediation business</td><td>—</td><td colspan="2">Deposit of funds</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 colspan="2">Repayment of deposits</td><td>¥5,000 million
$48,581 thousand</td><td>Long-term deposits</td><td>¥5,000 million
$48,581 thousand</td></tr>
</table>

2. Notes Concerning the Parent Company or Important Affiliates

Not applicable.

AMOUNTS PER SHARE

For the fiscal years ended March 31

	Yen 2013	Yen 2014	U.S. dollars 2014
Net assets	¥1,404.68	**¥1,565.51**	**$15.21**
Net income	39.61	**73.92**	**0.71**

(Note 1) Net income per share adjusted for latent shares is not stated because there are no latent shares.

(Note 2) The basis for calculating net income per share is as follows.

	Millions of yen 2013	Millions of yen 2014	Thousands of U.S. dollars 2014
Net income	¥9,791	**¥16,393**	**$159,285**
Amount not attributable to ordinary shareholders	—	—	—
Net income applicable to common stock	9,791	**16,393**	**159,285**

	Thousands of shares 2013	Thousands of shares 2014
Average number of common stock outstanding for each period	247,196	**221,773**

(Note 3) The basis for calculating net assets per share is as follows.

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Total net assets	¥347,949	¥341,364	$3,316,793
Amounts deducted from total net assets	732	1,444	14,032
Minority interests	732	1,444	14,032
Total net assets related to common stock	347,217	339,920	3,302,760

	Thousands of shares	
Number of common stock used to determine equity per share	247,186	217,131

SUBSEQUENT EVENTS

The Company was issued with a business suspension order outlined as follows from Japan's Ministry of Land, Infrastructure, Transport and Tourism on May 27, 2014 based on paragraph 3, Article 28 of the Construction Business Act, and this could have a negative impact on the Group's performance and financial position.

(1) Reason for issue of the order
Due to the finalization of the Cease and Desist Order and Surcharge Payment Order issued by the Japan Fair Trade Commission due to violation of the Antimonopoly Act regarding transactions for transmission line works ordered by electric power companies

(2) Scope of business ordered to be suspended
Of business related to electrical works nationwide, private electrical works

(3) Period
Sixty days from June 11, 2014 until August 9, 2014

CONSOLIDATED SUPPLEMENTAL SCHEDULES

Schedule of Corporate Bonds

Not applicable

Schedule of Outstanding Loans, etc.

	At April 1, 2013	At March 31, 2014	Average rate	Due date
Short-term loans payable	¥16,600 million $176,503 thousand	¥16,903million $164,235 thousand	1.544%	—
Current portion of long-term loans payable	—	—	—	—
Current portion of lease obligations	¥163 million $1,743 thousand	¥93 million $906 thousand	—	—
Long-term loans payable(Excluding current portion of long-term loans payable)	—	—	—	—
Lease obligations (Excluding current portion of lease obligations)	¥153million $1,631 thousand	¥122 million $1,185 thousand	—	From 2015 to 2019
Other interest-bearing debt	—	—	—	—
Total	¥16,917million $179,878 thousand	¥17,118million $166,328 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 aggregate annual maturities of lease obligations within five years after March 31, 2014 (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	¥64 million $625 thousand	¥38 million $373 thousand	¥15 million $149 thousand	¥3 million $34 thousand

Schedule of Asset Retirement Obligations

Not applicable.

OTHERS

Quarterly Information for the Fiscal Year ended March 31, 2014

(Cumulative period)	One quarter	Two quarters	Three quarters	Full year
Net sales	¥95,450 million $927,423 thousand	¥220,143 million $2,138,974 thousand	¥342,891 million $3,331,629 thousand	¥514,357 million $4,997,646 thousand
Income before income taxes	¥2,901 million $28,194 thousand	¥9,107 million $88,488 thousand	¥15,110 million $146,821 thousand	¥27,597 million $268,141 thousand
Net income	¥1,176 million $11,432 thousand	¥4,764 million $46,295 thousand	¥8,450 million $82,103 thousand	¥16,393 million $159,285 thousand
Net income per share	¥5.07 $0.04	¥21.11 $0.20	¥37.86 $0.36	¥73.92 $0.71

(Accounting period)	First quarter	Second quarter	Third quarter	Fourth quarter
Net income per share	¥5.07 $0.04	¥16.52 $0.16	¥16.97 $0.16	¥36.58 $0.35

Independent Auditors' Report

PKF OSAKA AUDIT CORPORATION
4F KITAHAMA YAMAMOTO BLDG.
2-3-6 KITAHAMA, CHUO-KU,
OSAKA, 541-0041, JAPAN

To the Board of Directors of
KINDEN CORPORATION

We have audited the accompanying consolidated balance sheets of KINDEN CORPORATION and consolidated subsidiaries (the "Company") as of March 31, 2014, and the related consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in conformity with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of KINDEN CORPORATION and consolidated subsidiaries as of March 31, 2014, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Also, in our opinion, the U.S. dollar amounts in the accompanying consolidated financial statements have been translated from Japanese yen on the basis set forth in the basis of presenting consolidated financial statements to the consolidated financial statements.

PKF Osaka Audit Corporation

June 25, 2014
PKF Osaka Audit Corporation

Non-Consolidated Balance Sheets

KINDEN CORPORATION
March 31, 2013 and 2014

ASSETS	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
CURRENT ASSETS:			
Cash and deposits	¥ 14,231	¥ 15,293	$ 148,599
Deposits paid	5,000	—	—
Notes receivable–trade	9,081	10,362	100,686
Accounts receivable from completed construction contracts	155,470	166,059	1,613,484
Short-term investment securities	49,000	40,000	388,651
Costs on uncompleted construction contracts	14,434	12,701	123,412
Raw materials and supplies	1,684	1,736	16,875
Deferred tax assets	6,026	5,323	51,727
Other	5,653	6,002	58,324
Allowance for doubtful accounts	(6,211)	(4,132)	(40,156)
Total current assets	254,371	253,348	2,461,603
NONCURRENT ASSETS:			
PROPERTY, PLANT AND EQUIPMENT:			
Buildings	75,818	75,822	736,715
Accumulated depreciation	(48,158)	(49,456)	(480,529)
Buildings, net	27,660	26,366	256,186
Structures	5,338	5,344	51,924
Accumulated depreciation	(4,685)	(4,759)	(46,246)
Structures, net	653	584	5,677
Machinery and equipment	1,996	1,972	19,164
Accumulated depreciation	(1,550)	(1,589)	(15,443)
Machinery and equipment, net	446	382	3,720
Vehicles	15,670	15,923	154,717
Accumulated depreciation	(13,380)	(14,107)	(137,072)
Vehicles, net	2,289	1,816	17,645
Tools, furniture and fixtures	9,701	9,769	94,918
Accumulated depreciation	(8,854)	(8,918)	(86,659)
Tools, furniture and fixtures, net	846	850	8,259
Land	55,940	55,456	538,830
Construction in progress	0	—	—
Total property, plant and equipment	87,837	85,456	830,319
INTANGIBLE ASSETS:			
Leasehold right	117	117	1,146
Telephone subscription right	149	149	1,449
Software	1,012	1,160	11,275
Total intangible assets	1,279	1,427	13,870
INVESTMENTS AND OTHER ASSETS:			
Investment securities	81,753	89,568	870,272
Stocks of subsidiaries and affiliates	4,650	4,753	46,184
Long-term deposits	5,000	5,000	48,581
Long-term loans receivable	65	64	628
Long-term loans receivable from employees	6	10	106
Long-term loans receivable from subsidiaries and affiliates	28,739	27,702	269,162
Claims provable in bankruptcy, claims provable in rehabilitation and other	49	24	240
Long-term prepaid expenses	95	95	931
Prepaid pension cost	3,283	7,704	74,856
Other	10,869	9,412	91,457
Allowance for doubtful accounts	(5,347)	(4,605)	(44,750)
Total investments and other assets	129,166	139,731	1,357,671
Total noncurrent assets	218,283	226,615	2,201,861
Total assets	¥472,654	¥479,963	$4,663,465

LIABILITIES AND NET ASSETS	Millions of yen 2013	Millions of yen 2014	Thousands of U.S. dollars 2014
CURRENT LIABILITIES:			
Notes payable–trade	¥ 2,004	¥ 2,121	$ 20,616
Accounts payable for construction contracts	66,212	70,325	683,307
Short-term loans payable	15,010	15,360	149,242
Accounts payable–other	6,861	7,278	70,717
Accrued expenses	8,187	10,185	98,965
Income taxes payable	5,784	7,150	69,479
Advances received on uncompleted construction contracts	7,948	8,406	81,678
Provision for loss on construction contracts	3,037	1,949	18,942
Provision for warranties for completed construction	188	214	2,079
Provision for directors' bonuses	85	81	795
Other	4,242	4,491	43,635
Total current liabilities	119,563	127,565	1,239,459
NONCURRENT LIABILITIES:			
Deferred tax liabilities	5,249	10,460	101,634
Provision for retirement benefits	14,095	14,417	140,079
Other	820	670	6,513
Total noncurrent liabilities	20,164	25,547	248,227
Total liabilities	139,728	153,112	1,487,687
NET ASSETS:			
SHAREHOLDERS' EQUITY:			
Capital stock			
Authorized: 600,000,000 shares			
Issued: 218,141,080 shares (2014)	26,411	26,411	256,621
Capital surplus	29,846	29,657	288,158
Retained earnings	272,425	244,444	2,375,092
Treasury stock	(15,881)	(802)	(7,795)
Total shareholders' equity	312,801	299,710	2,912,076
VALUATION AND TRANSLATION ADJUSTMENTS:			
Valuation difference on available-for-sale securities	20,124	27,140	263,701
Total valuation and translation adjustments	20,124	27,140	263,701
Total net assets	332,926	326,851	3,175,778
Total liabilities and net assets	¥472,654	¥479,963	$4,663,465

Non-Consolidated Statements of Income

KINDEN CORPORATION
For the fiscal years ended March 31, 2013 and 2014

	Millions of yen		Thousands of U.S. dollars
	2013	2014	2014
Net sales of completed construction contracts	¥426,889	¥448,275	$4,355,576
Cost of sales of completed construction contracts	375,918	393,987	3,828,090
Gross profit on completed construction contracts	50,970	54,288	527,486
Selling, general and administrative expenses	30,749	33,550	325,986
Operating income	20,220	20,738	201,500
Non-operating income:			
Interest income	472	409	3,978
Interest on securities	309	268	2,605
Dividends income	1,453	1,663	16,164
Foreign exchange gains	643	384	3,739
Other	606	692	6,728
Total non-operating income	3,486	3,418	33,217
Non-operating expenses:			
Interest expenses	268	260	2,535
Provision of allowance for doubtful accounts	125	120	1,171
Condolence money	81	118	1,149
Other	220	269	2,619
Total non-operating expenses	695	769	7,476
Ordinary income	23,011	23,387	227,241
Extraordinary income:			
Gain on sales of noncurrent assets	183	198	1,931
Gain on sales of investment securities	141	13	133
Total extraordinary income	324	212	2,064
Extraordinary loss			
Loss on sales of noncurrent assets	29	304	2,960
Loss on retirement of noncurrent assets	28	65	632
Impairment loss	34	15	151
Loss on sales of investment securities	19	—	—
Loss on valuation of investment securities	178	93	912
Provision of allowance for investment loss	1,902	—	—
Surcharge	—	471	4,581
Other	11	1	18
Total extraordinary losses	2,203	952	9,256
Income before income taxes	21,131	22,647	220,050
Income taxes:			
Income taxes—current	5,864	7,383	71,738
Income taxes—deferred	4,472	2,116	20,560
Total income taxes	10,336	9,499	92,298
Net income	¥ 10,794	¥ 13,148	$ 127,751

	Yen		U.S. dollars
	2013	2014	2014
Amounts per common share:			
Net income	¥43.67	¥59.29	$0.57
Cash dividends	16.00	18.00	0.17

Board of Directors and Corporate Auditors

As of June 25, 2014

Chairman:	NORIHIKO SAITO
Vice Chairman:	KUNIHIKO FUJITA
President:	YUKIKAZU MAEDA
Vice Presidents:	MITSUNORI KAWAGUCHI EIJI KAWAGOE SUMIO URASHIMA
Directors:	HIDETAKA MAEDA** KOUJI ISHIDA** YOSHIO OHNISHI* KENJI KOBAYASHI* SHIRO MATSUO* HARUNORI YOSHIDA
Standing Corporate Auditors:	YUICHI MIYAJI YUTAKA INADA
Corporate Auditors:	IKUZO SATAKE HIDEKI TOYOMATSU SHIGEKI IWANE

** Senior managing executive officer, * Managing executive officer

Corporate Data

Name:	KINDEN CORPORATION
Date of establishment:	August 26, 1944
Osaka head office:	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:** 3-1-1, Saganakadai, Kizugawa, Kyoto 619-0223, Japan
Training centers:	**Kinden Gakuen:** 12-77, Imazu-Kusugawa-cho, Nishinomiya, Hyogo 663-8222, Japan
	Human Resources Development Center: 1-21, Takahana, Inzai, Chiba 270-1342, Japan
Capital:	¥26,411,487,018 (As of March 31, 2014)
Construction business license:	Construction License of the Ministry of Land, Infrastructure, Transport and Tourism Special and Ordinary Construction License—23, No. 114
Employees:	7,139 (As of March 31, 2014)
URL:	http://www.kinden.co.jp/
Business areas:	Construction, installation, and engineering
Electrical	Power generation and substation facilities, overhead power transmission and distribution facilities, underground power transmission and distribution facilities, wind power generation facilities, electrical facilities for nuclear power generation, building electrical facilities, electrical factory facilities, public electrical facilities, solar power generation facilities, stage and theater facilities, explosion-proof electrical facilities, disaster prevention/crime prevention facilities, and electrical railroad facilities
Instrumentation	Building instrumentation systems, factory instrumentation systems, facility instrumentation systems, and power plant instrumentation systems
Information and communications	Facilities and equipment for information and telecommunications businesses, facilities and equipment for CATV businesses, wireless communication systems for administration of disaster prevention, Internet systems, Intranet systems, LAN systems, telephone systems, image transmission and display systems, information processing systems, and security systems
Air-conditioning and sanitation	Air-conditioning systems, ventilation, water supply, drainage and sanitary plumbing, fire-extinguishing systems, chilling and refrigerating systems, water treatment systems, industrial waste processing systems, air purification systems, district heating and cooling systems, cogeneration systems, medical gas supply systems, and waterworks
Interiors	System ceilings, metal ceilings, free access floors, partitions, partial interiors, interior furnishings, and small-scale construction
Civil engineering	Survey and investigation, civil engineering structure, CAB, land development, road construction, C.C. BOX, and paving
Other	Painting, mechanical installation, gardening, and steel structures

Network

As of July 31, 2014

OVERSEAS OFFICES

Hong Kong Office

Singapore Office

Guam Office

Saipan Office

Egypt Office

Dubai Office (UAE)

Yangon Office (Myanmar)

Shanghai Liaison Office (China)

OVERSEAS SUBSIDIARIES AND AFFILIATES

US Kinden Corporation
2908 Kaihikapu Street, Honolulu,
Hawaii 96819-2096, U.S.A.

Wasa Electrical Services, Inc.
2908 Kaihikapu Street, Honolulu,
Hawaii 96819-2096, U.S.A.

Kinden Pacific Corporation
Airport Industrial Center, 165 Skyline Drive,
Suite 400, Tamuning, Guam 9693, U.S.A.

Kinden International, Ltd.
Rm 1301-1306 13F Tamson Plaza No.161
Wai Yip Street, Kwun Tong, Kowloon,
Hong Kong, China

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

Kinden India Private Limited
No. 407, 4th Floor, TIME TOWER, Mg Road,
Sector 28, Gurgaon-122002, Haryana, India

Bintai Kinden Corporation Berhad.
430, Jalan Ipoh, 51200, Kuala Lumpur, Malaysia

DOMESTIC NETWORK

Osaka Head Office

Tokyo Head Office

Kyoto Institute

Kinden Gakuen

Human Resources Development Center

Hokkaido Branch Office
Sub-branch Offices: Tomakomai, Donan,
Doto, Dohoku

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

Tokyo Branch Office
Sub-branch Offices: Kofu, Chiba, Ichihara,
Kashima, Ibaraki, Tsukuba, Gunma, Saitama,
Utsunomiya, Niigata, Nagaoka

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: Nagahama, Rittou, Otsu,
Takashima, Hikone, Youkaichi

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

Osaka Branch Office

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

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

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

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

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

Chugoku Branch Office
Sub-branch Offices: Kure, 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 SUBSIDIARIES AND AFFILIATES

Kinden Shoji Company, Limited

Nishihara Engineering Co., Ltd.

Kinden Electrical & Mechanical Service Company, Limited

Kinden Nagoya Service Company, Incorporated

MECS CORPORATION

Kinden Nishinihon Service Company, Incorporated

Kinden Services Company, Incorporated

Aleph Networks Corporation

Shirama Wind Farm Co., Ltd.

Shiratakiyama Wind Farm Co., Ltd.

Nishihara Construction Co., Ltd.

Estanine Co., Ltd.

KINKA Corporation

KINDEN CORPORATION

OSAKA HEAD OFFICE
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
http://www.kinden.co.jp/

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