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Kinden Corporation
To the Board of Directors

October 4th, 2023

# Proposal for Corporate Value Enhancement Measures

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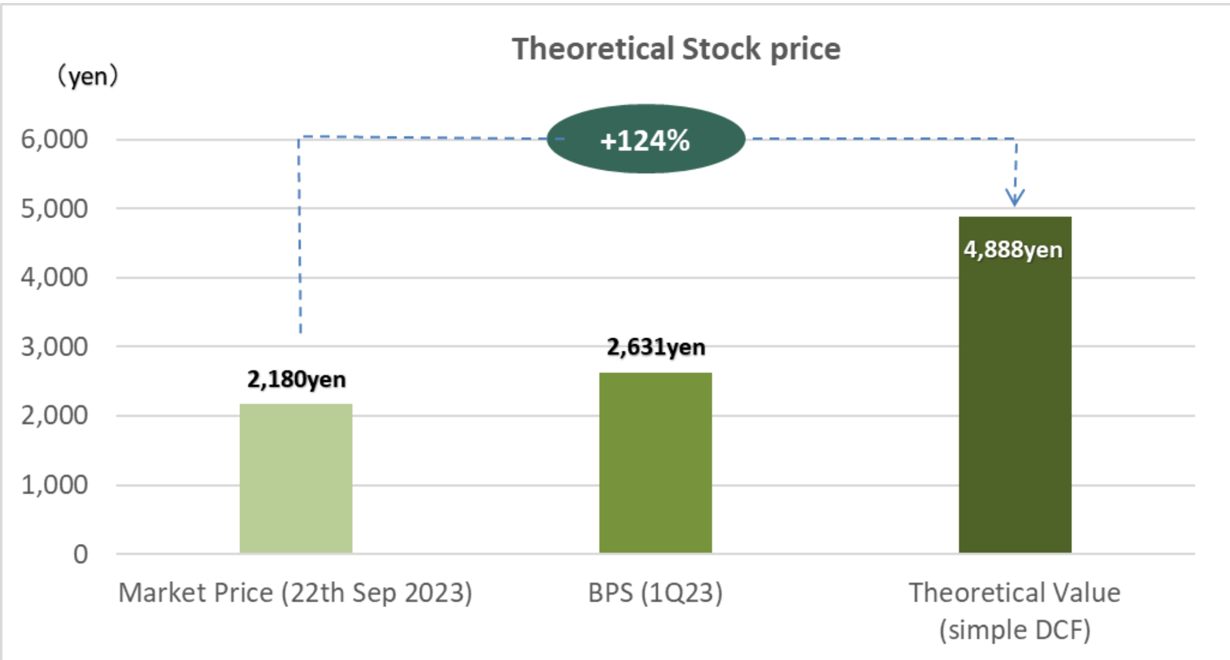
## 1. Our view on the intrinsic value of your company

First, we want to explain on our view for intrinsic value of your company. According to our simplified DCF (discounted cashflow) calculation based on simple assumptions, your company's intrinsic value per share is Estimated at 4,888 yen, and the deviation from the current share price is about 124%.

Figure 1: Estimation of intrinsic value per share




(Source: Compiled by Hibiki from Bloomberg. See Appendix1 for detailed calculations)

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In the simplified DCF used in the calculation, we dare to estimate corporate value in a simplified manner, focusing only on free cash flow (FCF) which a company can generate in a normal state, growth rate, and discount rate (WACC=weighted average cost of capital). For this calculation, we assumed your company's FCF to be 35 billion yen, terminal growth rate to be 0%, and WACC to be 5.0%.[1] The "FCF of 35 billion yen" is based on the average level of your company's FCF over the past five years. The eternal growth rate and cost of capital (WACC) of 0% and 5%, are controversial among investors, but we have not made any arbitrary adjustments and have calculated them based on the capital asset pricing model (CAPM).

2023/9/22 share price is 2,180 yen, which is significantly lower than the intrinsic value per share on our assumptions above, and while it is an attractive investment opportunity for value investors like us, we feel that it is at an embarrassing level. We have decided to send this letter to you because we would like to explore with you on how you can obtain an appropriate valuation for your company.

## 2. Comparison with peers and the market as a whole

Please see Figure 2 below, which compares your company's financial metrics and valuation with peers. Your company is at the top of the list, and the rest of the companies are listed in order of financial (excess) health.

Figure 2: Financials of the top 15 subcontractors by Revenue (FY2022 basis)

(Million yen、%)

| Top 15 subconstructor | Total Asset | Shareholder 's Equity | A<br>Marketable Securities | B<br>Investment Securites | C<br>Cash & Equivalent | D=A+B+C<br>Cash & Secuties | D÷Total Asset | Net profit% | PBR | Adjusted ROE | 23/3 Revenue (100million) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Kinden | 742,841 | 532,713 | 172,702 | 122,189 | 45,361 | 340,252 | 45.8% | 4.7% | 0.84 | 5.2% | 6,091 |
| Chudenko | 272,514 | 202,069 | 18,237 | 94,433 | 18,793 | 131,463 | 48.2% | -3.7% | 0.68 | -3.2% | 1,890 |
| Sumitomo Densetsu | 162,587 | 99,618 | -- | 18,260 | 54,770 | 73,030 | 44.9% | 5.4% | 1.06 | 10.0% | 1,751 |
| Sanki Engineering | 172,305 | 90,913 | 4,000 | 27,059 | 24,949 | 56,008 | 32.8% | 3.0% | 0.99 | 4.6% | 1,909 |
| Takasago Thermal | 313,391 | 147,165 | -- | 27,799 | 71,541 | 99,340 | 31.7% | 3.6% | 1.35 | 8.9% | 3,388 |
| Taikisya | 237,105 | 131,992 | -- | 25,893 | 46,909 | 72,802 | 30.7% | 3.7% | 1.21 | 6.6% | 2,148 |
| Kyudenko | 446,410 | 263,017 | -- | 64,494 | 66,840 | 131,334 | 29.4% | 6.7% | 1.28 | 9.8% | 3,958 |
| Daidan Corporation | 148,544 | 82,424 | -- | 15,216 | 25,379 | 40,595 | 27.3% | 3.6% | 0.79 | 7.8% | 1,860 |
| Kandenko | 487,828 | 308,457 | 2,299 | 51,703 | 60,779 | 114,781 | 23.5% | 3.9% | 0.93 | 7.6% | 5,416 |
| Uatech | 221,400 | 134,488 | -- | 11,367 | 35,947 | 47,314 | 21.4% | 2.9% | 0.52 | 5.0% | 2,274 |
| Toenec | 300,172 | 117,193 | -- | 28,405 | 30,101 | 58,506 | 19.5% | -2.4% | 0.68 | 2.0% | 2,321 |
| Raiz Next | 114,168 | 83,283 | -- | 4,268 | 17,802 | 22,070 | 19.3% | 5.5% | 1.01 | 9.5% | 1,401 |
| Exio G | 577,941 | 307,941 | 263 | 32,819 | 51,184 | 84,266 | 14.6% | 3.5% | 1.11 | 6.5% | 6,276 |
| Comsys HD | 502,133 | 346,725 | -- | 25,454 | 41,367 | 66,821 | 13.3% | 3.4% | 1.13 | 5.7% | 5,633 |
| Mirait one | 436,752 | 254,305 | -- | 17,833 | 32,439 | 50,272 | 11.5% | 3.1% | 0.78 | 5.8% | 4,840 |
| Average | | | | | | | 27.6% | 3.1% | 0.96 | 6.1% | 3,410 |
| Median | | | | | | | 27.3% | 3.6% | 0.99 | 6.5% | 2,321 |
| TOPIX | | | | | | | | 6.0% | 1.35 | 8.7% | 2,424 |

※ Adjusted ROE is (net income excluding one-time gains and losses for the last 12 months / average of current and prior year common share capital)*100

(Source: Compiled by Hibiki from Bloomberg)

[1] See Appendix 1 for detailed formulas

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Your company has consistently achieved higher profit margins than the industry average in the past, and we believe this is due to the high percentage of non-biddng orders (38.4%[2]) which demonstrates your special value-add to your clients. On the other hand, we think the way your company uses the balance sheet is the source for the issue. In FY2022, approximately 335 billion yen were held as cash and marketable securities, etc. without being re-invested in your business, which equates to 46% of total assets, and 64% of shareholder's equity. This is extravagantly higher than the average of the listed companies.

While we would like to refer you to our recent paper, A Historiographical Study of the Cross-Shareholding , which in August we sent out to all of our portfolio companies' CEO including you and subsequently making it public, in this proposal letter we would like to refer to a note from the Institutional Shareholder Services (ISS) "Proxy Voting Guidelines Benchmark Policy Recommendations" ("ISS") that established a policy in regards to cross-held shares in Japan.

"The problems caused by cross-shareholdings, such as inefficient allocation of capital and the hollowing out of capital, are the most significant corporate governance problems in Japan. In Japan, there is a widespread practice of holding shares in other companies, such as customers, suppliers, and borrowers, for purposes of maintaining business relationships. Cross-shareholdings may be contrary to the long-term interests of shareholders, as the capital invested in cross-shareholdings cannot be used for capital expenditures, business acquisitions, dividends, or share buybacks. Furthermore, since voting rights are always exercised in favor of company proposals and against shareholder proposals, there is a concern that market discipline be reduced. In addition, the holding of policy shareholdings may lead to a decline in capital productivity. It is also noted that low capital productivity has led to decades of low returns on equity investments in Japan."[3]

According to pages 104-105 of your 2023/3 annual report (Yuho), you hold 80.2 billion yen in stocks, equivalent to 15% of net assets, in the investment securities section. Your company has a diversified client base and most of the shares are held unilaterally by your company, we infer that there is only small benefit from holding the shares. We believe that now is the time to terminate your holding, as the CG Code prohibits business transactions to be impacted by termination of cross-shareholdings[4]. The average percentage of board member's reappointment approval rate at the June 2018 AGM was high at 95.5%, however, it has been declining in recent years and was 84.3% at this year. We believe this is an indication that institutional shareholders are becoming more dissatisfied about your company's balance sheet

[2] Orders from Kansai Electric Power Company are not included because they are contracted.
[3] https://www.issgovernance.com/file/policy/active/asiapacific/Japan-Voting-Guidelines-Japanese.pdf
[4] Corporate Governance Code Principles 1-4

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management. In the future, we expect more institutional investors to follow the policies of ISS and other major voting advisory firms, and if you do not clearly state your commitment to reducing your holdings of securities, the approval rate is poised to decline further. In addition, we need to point out that you place 135 billion yen worth in certificate deposits, which, in current inflationary environment with low interest rate, it is value destructive. Such management attitudes lacking consideration for asset efficiency has led to the low ROE that has persisted to the present. We believe this is the reason why P/B ratios have remained low despite the high profit margins and stable business trajectory. Your corporate value is being dragged down by these non-business-fundamental issues which is a shame.

## 3. Our Proposal

Therefore, based on such issues explained, we would like to make the following two proposals.

### Proposal 1: Formulate a growth strategy by making full use of M&As

Among the electrical, air-conditioning, and telecommunications equipment construction companies, your company has grown to become the second largest after the EXEO Group in terms of Revenue in FY2022. Although business conditions are expected to remain strong, it is difficult to predict whether the market will continue to expand over the long term as it did in the past. In this circumstance, Kinden has expanded from its original base Kinki region to the Kanto region, which now accounts for 21% of revenue (FY 2023/3). However, the Kanto region is not as profitable as the Kinki region, due to fierce competition and a thin network of your business offices in the Kanto region, which also incurs extra expenses such as transportation costs.

According to our research, there are 47 listed companies in the category of electrical, air-conditioning, and telecommunications equipment construction companies alone, excluding fire extinguishing and sanitary equipment work (see Appendix 2), and each company's profit margins seem to have leveled off. With the aging of the employee in the industry as a whole and the increasing difficulty of hiring new talent, some of the companies have seen their order profitability deteriorate and have posted losses during COVID-19 period. We understand that there is a common notion in your industry that mergers and acquisitions are not accretive strategy since combining two companies won't increase the chances of winning a contract by two times. However, with full appreciation to that, we actually believe that, for Kinden, there are still many companies that M&A can be mutually beneficial by supplementing each other geographically and also in business areas. By joining Kinden group, acquired company will certainly benefit with obtaining access to your technology, your project management

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capabilities, on top of usual synergies of cutting down duplicated offices and businesses. This benefit will not only accrue to the company but also to the employees of the acquiree.

In the current medium-term management plan, it is stated that "the company will continue to strengthen and expand its core businesses as a comprehensive facilities construction provider: electrical, environment-related, information and telecommunications, and interior." However, it must be said that electrical work (the first one) still accounts for about 80% of orders at Kinden on a non-consolidated basis, and so other than electrical areas are still weak. We are fully aware that Kinen has a history of growing organically by itself, but we are quite sure that doing a good M&A to expand business territory is far more rational than holding certificate deposits that yields less than 1%. Although it finalized as a "friendly" acquisition, NIDEC's recent tender-offer to TAKISAWA Machine Tool Corporation started out as an "unsolicited tender offer" – in other words, hostile take-over. This sensational event indicates that Japan has entered an era in which it should break away from the past rules of harmony and coziness.

As you well know, if a company forms a muscular and efficient balance sheet market tends to reward its share price with better valuation, and such well-valued share price is extremely advantageous in M&A if considering the stock swaps or stock transfers between other publicly listed companies [5]. Maintaining a sufficiently valued share price is not only the best defense takeover but is also an extremely important offense measure in expanding the options for strategic advantages.

We have made this proposal in the hope that you, as the industry leader, will evolve into a company that can provide more comprehensive services by being able to provide air conditioning and telecommunications construction services. We are convinced that such an increase in added value will eventually lead to higher profit margins and corporate value.

However, we feel this business strategy alone is not enough. M&A is a long-term strategy that takes time and involves a relationship with the other party. Therefore, we would like to ask you to consider our proposal 2 early to fill in the time gap between the occurrence of M&A and attract shareholders and investors to your side of things while you execute your plans.

[5] This is discussed in detail in Section 3 of Hibiki's proposal letter to Zenkoku Hosho Aug 2022

Proposal 2: Change your total payout ratio and disclose it

We propose that you establish a total payout ratio policy of 150% to achieve continued improvement in ROE by deliberately reducing your shareholders' equity portion. Over the past 10 years, Kinden has increased net income, the numerator of the ROE formula "net income/shareholders' equity", by 2.93 times. However, during that period, the denominator, shareholders' equity, also increased by 1.53 times, and the increase in ROE remained at an unsatisfactory level. Since revenue increased only 1.24x during the same period, shareholders' equity actually increased at a faster pace than your business expansion.

Your company's "statement of changes in shareholder's equity" consists of five items: dividends, repurchase of own shares, disposal of own shares, net income, and changes in items other than shareholders' equity. 70% of net income is accumulated every year because the dividend payout policy is based on 30% of net income. Not to mention, even with a total payout ratio of 100%, shareholders' equity will only be flat, so a payout policy of more than 100% is a definite requisite to compress shareholders' equity in order to improve ROE.

You may feel that we are saying something outrageous and selfish just reading it on surface but that is NOT the case. Considering Kinden's current balance sheet situation, we believe that it is not just feasible but it is required to make this level of commitment to continuously increase your ROE, even if only incrementally. We would like to explain the (A) feasibility assessment and (B) ROE simulation based on our own studies.

First, allow us to discuss the (A) feasibility. As of 2023/03, Kinden's net cash accounted for 44% of total assets[6]. Assuming that your business can be operated with a cash level of 7% of total assets which is in fact the average level for the past 5 years, it can be said that the business can be operated with virtually no debt even if the net cash ratio drops to 10%. The net cash ratio (left axis) in Figure 3 below shows that if the 150% payout ratio is continued by selling mainly marketable securities and investment securities, the net cash ratio will decline to 16% of total assets in 2033/3, but it is still far above the current cash and deposits ratio, which is perfectly acceptable from the perspective of financial soundness, and you are not borrowing money yet.

[6] Net cash ratio = (Cash and Equivalent + Marketable securities + Investment securities + Deposits to the Kanden - interest bearing debt) / Total assets

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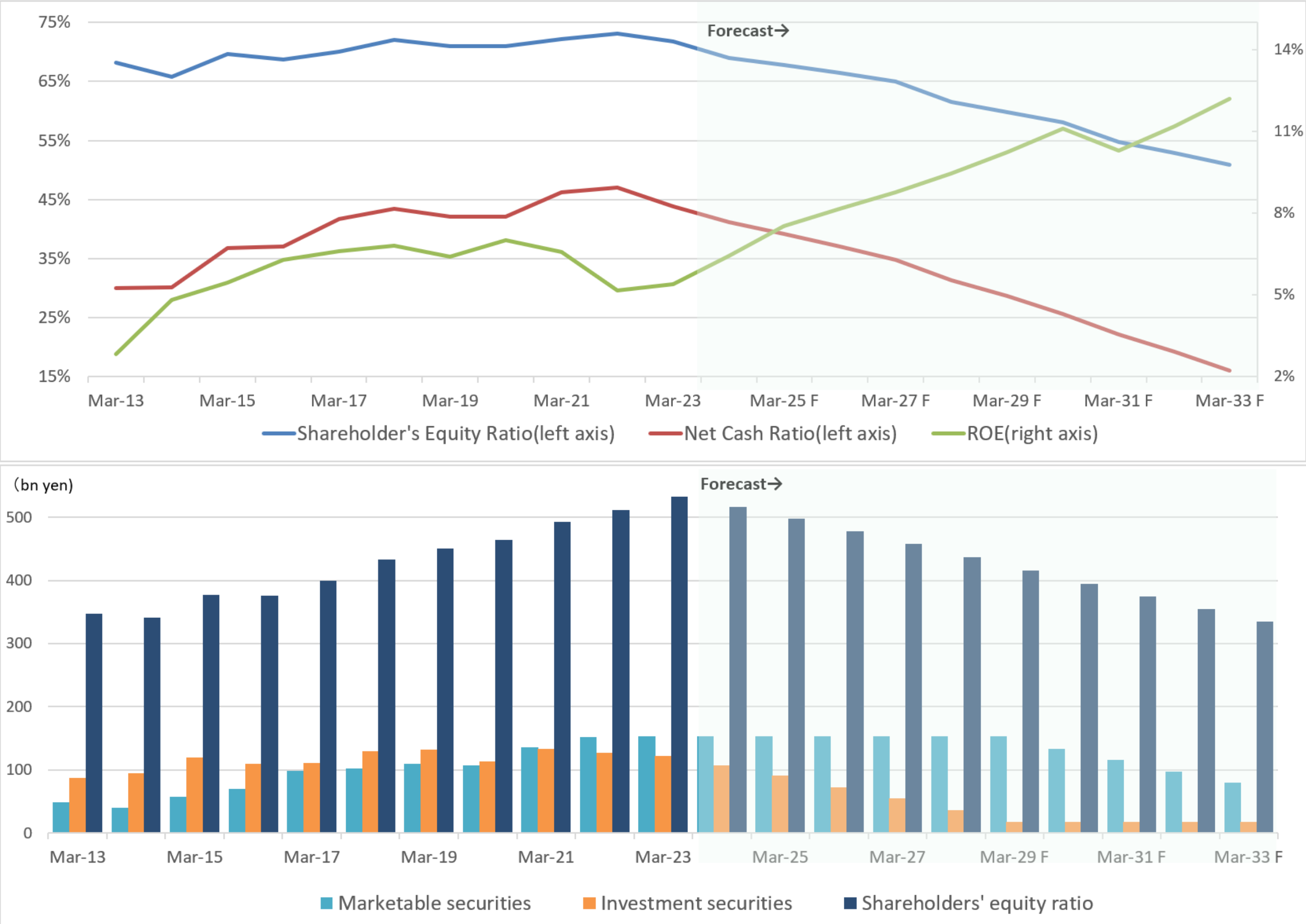
Figure 3: Financial simulation of enhanced total payout ratio

| | | | | |
|---|---|---|---|---|
| Model Assumptions | Revenue growth | 3% | Total return ratio | 150% |
| | Sales of securities/shareholder return | 30% | (Dividend) | 75% |
| | | | (Buy back) | 75% |




(Source: Prepared by Hibiki based on Kinden's disclosed materials and Bloomberg)

Next is about (B) ROE simulation. Please refer to Figure 4 to see how much ROE changes as a result of shareholder equity reduction[7]. The table below shows the ROE (left) and stock price (right) calculated with the total payout ratio on the vertical axis and the annual revenue growth rate on the horizontal axis. In your industry, ROE and P/B ratio are highly correlated (see Appendix 2), and improving ROE is essential to raising the valuation of the company. Even if the 150% return on equity were to continue based on the assumption of 3% growth, the current 5% level would gradually improve to the 13% level in 10 years (Figure 4, orange portion ). In zero growth scenario, ROE will not reach 10%, which means that even a 150% payout is still not enough and needs to be combined with the growth strategy.

[7] *The ups and downs of ROE in FY29-31 were affected by the impact of net income due to the realization of unrealized gains on the sale of investment securities.

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The estimated share price, calculated by multiplying the estimated future EPS by 12 times, which is the average P/E ratio over the past five years, is 5,069 yen (the blue portion in Figure 4). Still, this is a very conservative assumption since the current P/E ratio is 15 times. This estimated share price is approximately 2.3 times of the Sep 22nd share price of 2,180 yen. In this calculation, net income for the 2033/3 is estimated to be 40.8 billion yen, only 1.4 times the current net income, However the buyback will reduce outstanding shares by 51% from the current 205 million shares to 99 million shares. In fact, this is an extremely important KPI for shareholders who consider value on a "per share" basis.

Figure 4: Estimated ROE and share price in FY2032 according to revenue growth rate and payout ratio

**2033/3 ROE estimate**

| Payout | Revenue growth 95% | 100% | 103% | 105% | 107% |
|---|---|---|---|---|---|
| 30% | 2.6% | 4.1% | 5.3% | 6.2% | 7.2% |
| 50% | 2.9% | 4.6% | 5.9% | 7.0% | 8.3% |
| 75% | 3.3% | 5.3% | 7.1% | 8.5% | 10.1% |
| 100% | 3.8% | 6.4% | 8.7% | 9.7% | 11.8% |
| 125% | 4.5% | 7.0% | 10.0% | 12.6% | 16.0% |
| 150% | 4.7% | 8.9% | 13.4% | 18.0% | 24.5% |

**2033/3 Share price estimate**

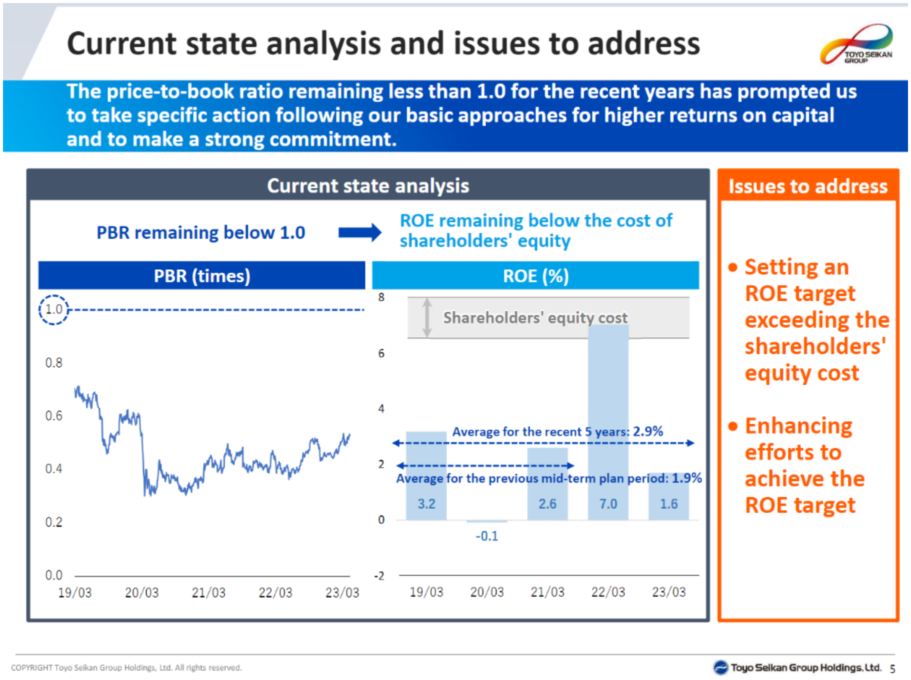
| Payout | Revenue growth 95% | 100% | 103% | 105% | 107% |
|---|---|---|---|---|---|
| 30% | 777 | 1,294 | 1,747 | 2,129 | 2,586 |
| 50% | 922 | 1,544 | 2,092 | 2,555 | 3,112 |
| 75% | 1,154 | 1,947 | 2,652 | 3,250 | 3,972 |
| 100% | 1,463 | 2,492 | 3,414 | 3,807 | 4,670 |
| 125% | 1,884 | 2,847 | 3,919 | 4,852 | 5,994 |
| 150% | 2,091 | 3,632 | 5,069 | 6,314 | 7,845 |

※Assumes half of the total payout come from dividend and half from share buybacks.Share price is estimated at a PER of 12x (average of the past 5 years).

## 4． A leading example in reducing shareholders' equity - Toyo Seikan GHD

Toyo Seikan GHD is a company we have invested in and has recently undergone significant transformation, so although the industries are different, we would like to refer to you as an example of a company that has announced a policy based on dialogue with the capital market ahead of others. In May 2023, Toyo Seikan GHD had just reached the halfway point of its mid-term management plan, and in response to the increased voice in the market, including the TSE, it additionally announced the" New Initiative to Boost Capital Efficiency toward 2027". The following are three of the most important slides and that impressed us as investor.

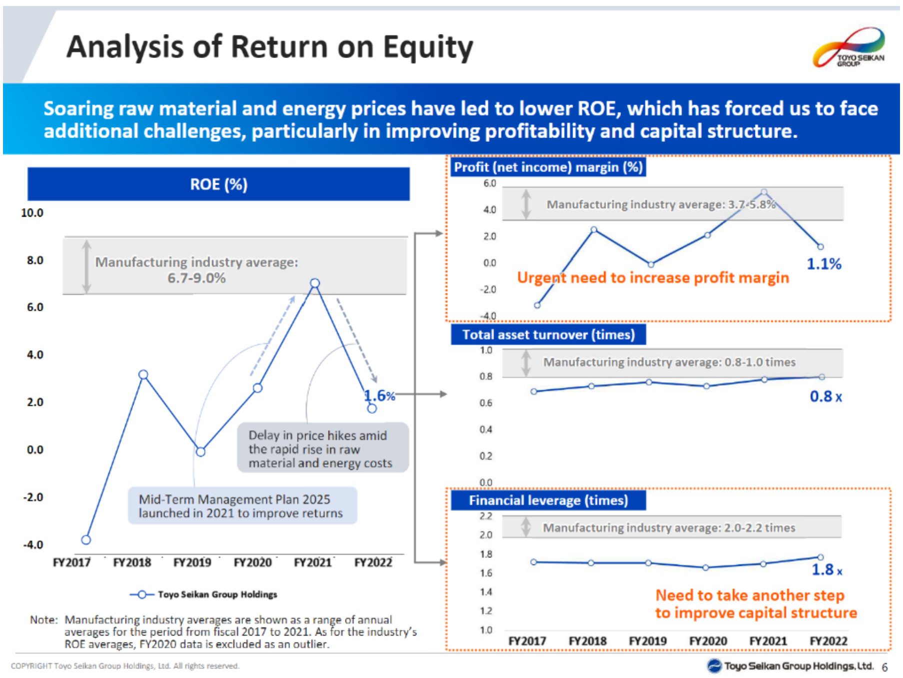
① Recognize their historical average ROE being below of their cost of capital (page 5)




(Source: Toyo Seikan GHD for slides in this section)

The company has demonstrated its awareness that it consistently has P/B ratio below 1x and ROE below its cost of capital by themself. This demonstrates how serious they are to tackle this problem.

② About ROE Analysis (page 6)



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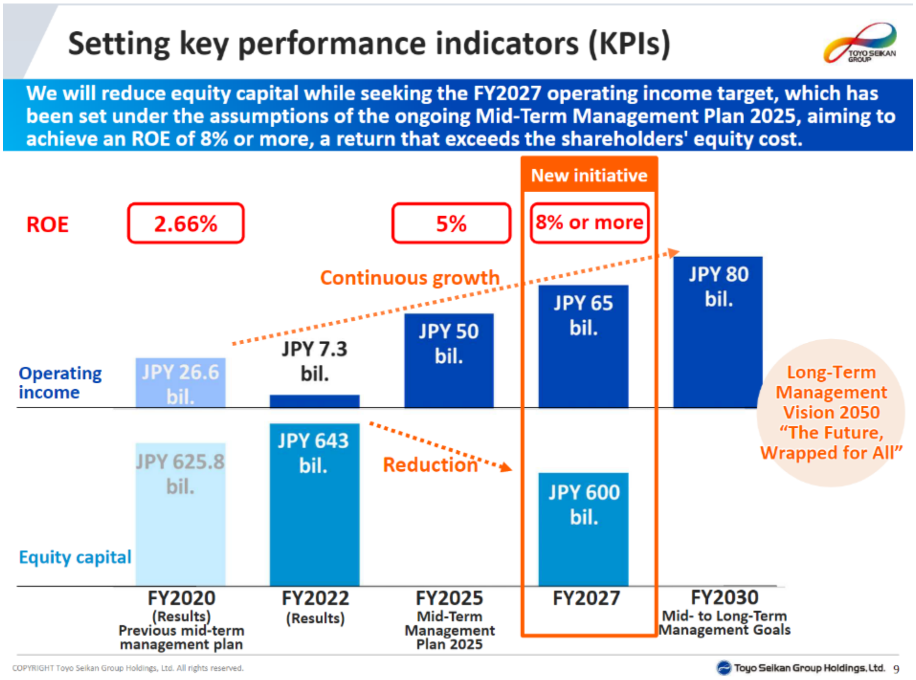
They have divide ROE into its three well-known components: net income margin, net asset turnover, and financial leverage, and identified components that have room for improvement compared to the average of manufacturing companies in the same industry. In the case of Toyo Seikan GHD, they set the targets of raising the low financial leverage and increasing the net income margin.

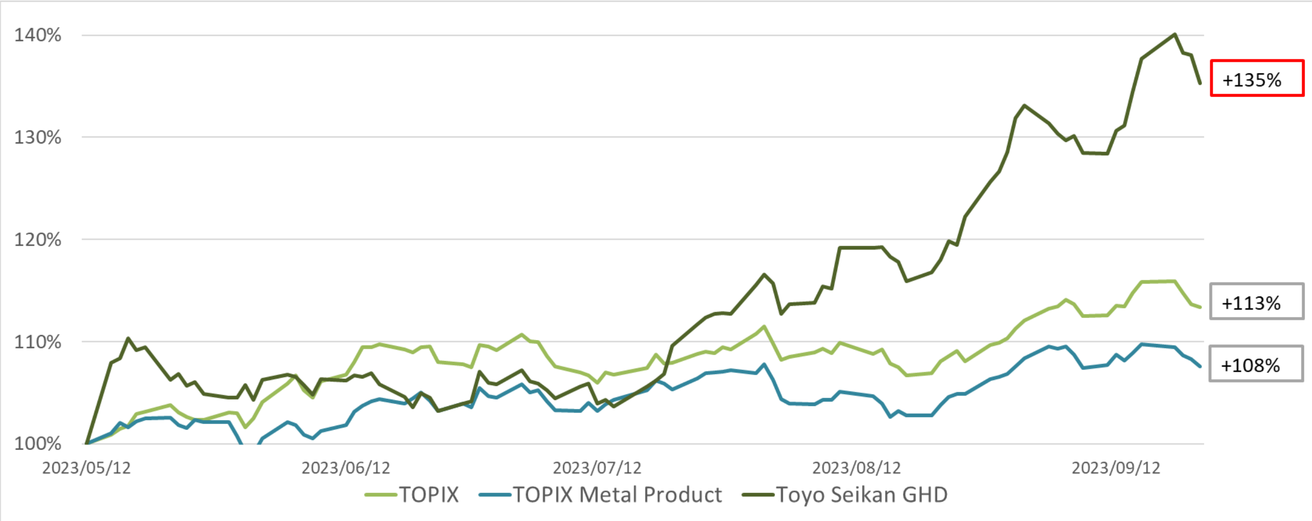
③ Announcement detailed ROE goals and actions (page 9)




In this slide, they set a goal to continuously increase ROE beyond the current medium-term management plan period. Toyo Seikan GHD has, in a way, similar characteristics to Kinden. Both companies belong to mature industries, that aren't easy to grow, but both are highly regarded by customers as leaders in their industries and can secure a certain level of profit and thus build up shareholders' equity. Considering these characteristics, the company has announced a commitment to reduce shareholders' equity by 43 billion yen in five years until FY2027, an amount far over its net profits.

Market was excited with the news and praised the wisdom of Toyo Seikan GHD's management team. Figure 5 compares the share price movement with TOPIX and the TOPIX Metal Products Index from the date of the announcement to Sep 22nd. Toyo Seikan GHD's share price rose 35% in just four months, far exceeding the 13% rise in TOPIX. We believe that this is not a temporary rise, but rather a positive reaction from long-term investors who appreciate the company's strong determination to continuously improve ROE not only by profitability but also from the balance sheet perspective.

Figure 5: Toyo Seikan GHD stock price after the announcement of the ROE initiative




(Source: Compiled by Hibiki from Bloomberg)

We think that the electrical engineering construction industry has traditionally been reluctant to return profits to shareholders and to implement aggressive growth strategies, as electric power companies are often the biggest shareholders and are not easily influenced by minority shareholders. Within 47 listed peer companies, only two companies posted losses in FY2022, making it a stable and profitable industry. Despite this, the average P/B ratio is 0.88 times which is significantly lower than the TOPIX index of 1.35 times (see Appendix 3). This is because the industry as a whole has not broken through the past tradition of being naïve in terms of facing the capital markets.

Your company became the largest electrical engineering construction company in Japan and has tremendous influence as a leader in the industry. We hope that you will face the capital markets seriously and consider what is best for maximizing corporate value from the ground up basis ahead of your competitors. If you do so, there is no doubt that others will follow in your footsteps, which will be a great positive for the industry and Japan as a whole.

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Your company's major shareholder, The Kansai Electric Power Company (KEPCO), is attracting attention as the most profitable electric power company in Japan, and we are confident that your company can become a company recognized as an excellent company in the market along with KEPCO by refining your corporate governance settings as well as further reviewing your business strategy and capital policy in a more progressive manner.

EOD

October 4th, 2023
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*Please note that this proposal letter will be publicized on our website.

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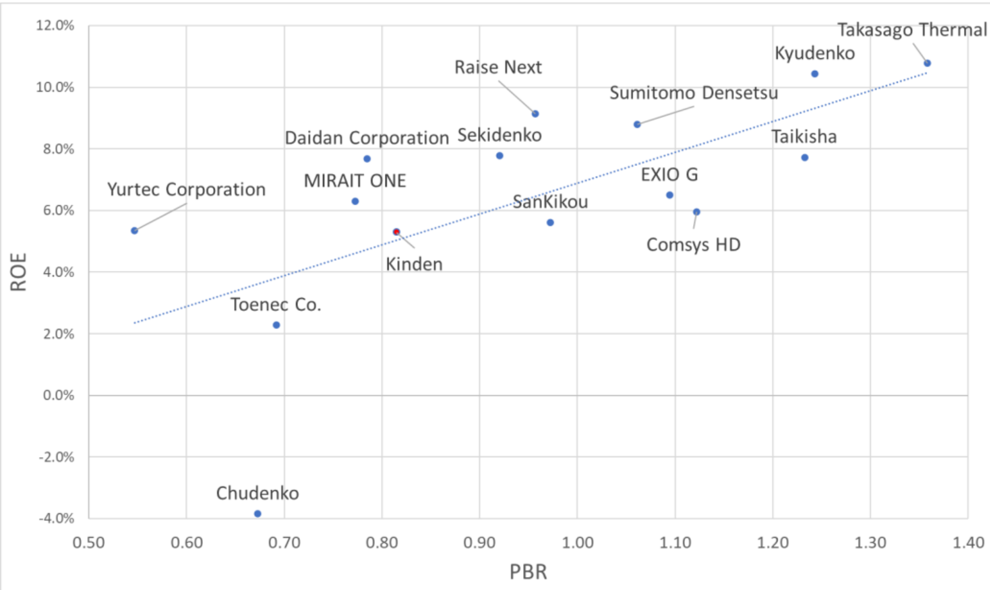
## Appendix 1: Assumptions in our DCF valuation

| Discount Rate Computation | | WACC計算 | | |
|---|---|---|---|---|
| Risk Free (Rf) | a | 市場無リスク金利 | | 1.0% |
| Beta | b | ベータ値（個別株式の市場に対する相関） | | 0.67 |
| Risk Premium (Rp) | c | 市場リスクプレミアム | | 6.0% |
| Cost of Equity (CoE) | d | 資本コスト (COE) | =a+c*b | 5.0% |
| Cost of Debt (CoD) | e | 借入コスト (COD)（仮定） | | 2.0% |
| Market Cap (Mn Yen) | f | 時価総額（百万円） | | 444,088 |
| Net Cash (Mn Yen) | g | ネットキャッシュ（百万円）23/6期実績（退職給付債務控除） | | 297,779 |
| Equity portion | h | 資本比率 | | 100.0% |
| Tax Rate | i | 税率 | | 30.0% |
| **WACC** | **j** | **WACC** | **=h*d+(1-h)*e*(1-i)** | **5.0%** |
| | | | | |
| **DCF Valuation** | | **ディスカウンテッド・キャッシュ・フロー法** | | |
| Normalized FCF (Mn Yen) | k | 正常化FCF（百万円） | | 35,000 |
| WACC for DCF method | j | WACC | | 5.0% |
| Growth | l | 成長率（最終） | | 0.0% |
| EV (Mn Yen) | m | 企業価値（百万円） | =k/(j-l) | 697,900 |
| Net Cash (Mn Yen) | n | ネットキャッシュ（百万円）23/6期実績（退職給付債務控除） | | 297,779 |
| Equity Value (Mn Yen) | o | 株式価値（百万円） | =m+n | 995,679 |
| Number of Shares (mn) | p | 自己株控除後株式数（百万株） 23/6期実績 | | 203.7 |
| **Value per share** | **q** | **理論株価（円）** | **o/p** | **4,888** |

(Source: Prepared by Hibiki based on your company's disclosed materials and Bloomberg)

## Appendix 2: Relationship between ROE and PBR

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# Appendix 3: Financial Indicators for 47 Engineering Subcontractors

（Million yen、%）

| | | A | B | C | D=A+B+C | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total Asset | Marketable Securities | Investment Securites | Cash & Equivalent | Cash & Secuties | D÷ Total Asset | Net profit% | PBR | Adjusted ROE | 23/3 Revenue (100million) |
| KINDEN | 742,841 | 172,702 | 122,189 | 45,361 | 340,252 | 45.8% | 4.7% | 0.84 | 5.2% | 6,091 |
| EXIO G | 577,941 | 263 | 32,819 | 51,184 | 84,266 | 14.6% | 3.5% | 1.11 | 6.5% | 6,276 |
| COMSYS HD | 502,133 | -- | 25,454 | 41,367 | 66,821 | 13.3% | 3.4% | 1.13 | 5.7% | 5,633 |
| Kandenko | 487,828 | 2,299 | 51,703 | 60,779 | 114,781 | 23.5% | 3.9% | 0.93 | 7.6% | 5,416 |
| MIRAIT ONE | 436,752 | -- | 17,833 | 32,439 | 50,272 | 11.5% | 3.1% | 0.78 | 5.8% | 4,840 |
| Kyudenko | 446,410 | -- | 64,494 | 66,840 | 131,334 | 29.4% | 6.7% | 1.28 | 9.8% | 3,958 |
| Takasago Heat | 313,391 | -- | 27,799 | 71,541 | 99,340 | 31.7% | 3.6% | 1.35 | 8.9% | 3,388 |
| Toenec Co. | 300,172 | -- | 28,405 | 30,101 | 58,506 | 19.5% | -2.4% | 0.68 | 2.0% | 2,321 |
| Yurtech | 221,400 | -- | 11,367 | 35,947 | 47,314 | 21.4% | 2.9% | 0.52 | 5.0% | 2,274 |
| Atmospheric Company | 237,105 | -- | 25,893 | 46,909 | 72,802 | 30.7% | 3.7% | 1.21 | 6.6% | 2,148 |
| San Kikou | 172,305 | 4,000 | 27,509 | 24,949 | 56,458 | 32.8% | 3.0% | 0.99 | 4.6% | 1,909 |
| Naka Denko | 272,514 | 18,237 | 94,433 | 18,793 | 131,463 | 48.2% | -3.7% | 0.68 | -3.2% | 1,890 |
| Daidan Corporation | 148,544 | -- | 15,216 | 25,379 | 40,595 | 27.3% | 3.6% | 0.79 | 7.8% | 1,860 |
| Sumitomo Densetsu | 162,587 | -- | 18,260 | 54,770 | 73,030 | 44.9% | 5.4% | 1.06 | 10.0% | 1,751 |
| Raiz Next | 114,168 | -- | 4,268 | 17,802 | 22,070 | 19.3% | 5.5% | 1.01 | 9.5% | 1,401 |
| Totech | 92,058 | -- | 12,503 | 6,051 | 18,554 | 20.2% | 4.1% | 1.62 | 12.2% | 1,267 |
| Taihei Dengyo | 147,039 | -- | 16,718 | 48,944 | 65,662 | 44.7% | 8.4% | 0.87 | 12.4% | 1,258 |
| Shin nippon Air tech | 109,146 | -- | 21,989 | 24,977 | 46,966 | 43.0% | 5.0% | 0.98 | 10.0% | 1,122 |
| Toko Takatake | 106,322 | -- | 675 | 10,659 | 11,334 | 10.7% | 3.0% | 0.64 | 5.9% | 978 |
| E&C | 70,200 | -- | 265 | 5,615 | 5,880 | 8.4% | 5.1% | 1.05 | 13.1% | 881 |
| Hibiya Corporation | 94,687 | 6,999 | 18,654 | 22,929 | 48,582 | 51.3% | 5.5% | 0.84 | 7.4% | 840 |
| Fujii Sangyo | 58,735 | -- | 2,169 | 16,955 | 19,124 | 32.6% | 3.3% | 0.59 | 9.2% | 827 |
| Asahi Industries | 78,941 | -- | 11,305 | 17,667 | 28,972 | 36.7% | 3.1% | 0.91 | 5.8% | 802 |
| Tokyo Enessis Co. | 108,513 | -- | 11,078 | 13,255 | 24,333 | 22.4% | 2.7% | 0.46 | 2.6% | 791 |
| Hokkai Denko | 44,173 | -- | 1,560 | 11,731 | 13,291 | 30.1% | 1.3% | 0.50 | 3.5% | 710 |
| Techno Ryowa | 63,457 | -- | 9,452 | 13,249 | 22,701 | 35.8% | 3.8% | 0.66 | 5.5% | 610 |
| Yasu Electric | 58,738 | -- | 3,769 | 12,067 | 15,836 | 27.0% | 3.2% | 1.25 | 8.4% | 603 |
| Taisei Oncho | 41,176 | 143 | 3,281 | 11,700 | 15,124 | 36.7% | 3.2% | 0.56 | 6.1% | 465 |
| Hokuriku Electric | 54,803 | 105 | 1,510 | 20,549 | 22,164 | 40.4% | 3.6% | 0.74 | 4.1% | 448 |
| Yamato | 47,703 | 617 | 8,626 | 6,152 | 15,394 | 32.3% | 4.2% | 0.71 | 4.3% | 445 |
| Tanabe Kogyo | 37,574 | -- | 406 | 6,174 | 6,580 | 17.5% | 3.9% | 0.79 | 8.7% | 429 |
| NEC Nets-SI | 36,707 | -- | 10 | 10,176 | 10,186 | 27.7% | 6.0% | 0.71 | 10.8% | 398 |
| Suntech | 45,699 | -- | 7,902 | 11,018 | 18,920 | 41.4% | 1.1% | 0.39 | -1.8% | 387 |
| Kyowa Nissei | 26,390 | -- | 2,819 | 7,626 | 10,445 | 39.6% | 2.7% | 0.91 | 5.3% | 345 |
| Nihon Dengi | 43,290 | 5,398 | 10,919 | 6,087 | 22,404 | 51.8% | 9.2% | 1.14 | 10.6% | 343 |
| Kodensha | 31,578 | -- | 966 | 1,603 | 2,569 | 8.1% | 1.7% | 0.47 | 3.0% | 336 |
| Miki Industry | 30,999 | -- | 334 | 2,847 | 3,181 | 10.3% | 2.4% | 0.34 | 4.8% | 308 |
| Fujita Engineering | 29,115 | -- | 4,206 | 8,232 | 12,438 | 42.7% | 4.7% | 0.62 | 8.0% | 272 |
| Otech | 28,339 | 400 | 3,883 | 5,206 | 9,489 | 33.5% | 4.8% | 0.78 | 7.4% | 261 |
| KAWASAKI EQUIPMEN | 18,354 | -- | 174 | 5,482 | 5,656 | 30.8% | 3.4% | 0.59 | 6.6% | 208 |
| Sanki Service | 8,353 | -- | 198 | 1,524 | 1,723 | 20.6% | 3.1% | 1.72 | 12.4% | 147 |
| JESCO | 13,467 | -- | 99 | 1,825 | 1,924 | 14.3% | 4.9% | 0.96 | 12.4% | 104 |
| SYNCLAYER | 11,333 | -- | 599 | 1,589 | 2,188 | 19.3% | 3.0% | 0.59 | 5.7% | 100 |
| Akatsuki Eazima | 9,489 | -- | 306 | 4,706 | 5,011 | 52.8% | 6.7% | 0.45 | 8.8% | 73 |
| Masaru | 6,545 | -- | 93 | 1,802 | 1,895 | 29.0% | 2.8% | 0.71 | 3.1% | 70 |
| Basis | 3,555 | -- | 20 | 1,062 | 1,082 | 30.4% | 4.1% | 1.66 | 16.3% | 69 |
| ETS・HD | 6,570 | -- | 87 | 2,327 | 2,415 | 36.8% | 3.2% | 1.62 | 6.8% | 67 |
| Translated with DeepL | | | | | 40,028 | 29.6% | 3.7% | 0.88 | 7.0% | 1,428 |
| 中央値 | | | | | 19,124 | 30.4% | 3.6% | 0.79 | 6.6% | 791 |
| TOPIX | | | | | | 6.0% | 1.35 | 8.7% | | 2,424 |

※ Adjusted ROE is (net income excluding one-time gains and losses for the last 12 months / average of current and prior year common share capital)*100

(Source: Compiled by Hibiki from Bloomberg)