

A Professional Design
and Engineering Firm
that Bridges the Academic
and Industrial Worlds

Connecting Stakeholders and KKE

KKE : P R E S S

57th Term

Fiscal year ended June 2015 (from July 1, 2014 to June 30, 2015)

Helix Bridge, Singapore



“Innovating for a Wise Future”

We aim to create a bright future society with full of human wisdom utilizing our technology based on engineering knowledge.



Shota Hattori
President
Shota Hattori

PROFILE
Born in Tokyo in 1956. Completed the master's program at the Graduate School Sociology, the University of Tokyo in 1982. Studied at the graduate level at Massachusetts Institute of Technology and completed the program in 1985. Joined the Boston Consulting Group and gained consulting experience in the United States and Japan. Joined Kozo Keikaku Engineering in 1987. Assumed the post of President in 2002. Works proactively on the simulation of social phenomenon with the belief such experiments will bear fruit and contribute to society in the first half of the 21st century.

First, please share with us your general overview and evaluation of KKE in the 57th term.

Being able to work with wonderful customers as well as partners, we managed to post higher net sales and net income. I believe this is the result of KKE being recognized for its technology consulting services underpinned by engineering knowledge that contributes to *designing a better society and systems for the next generation* as we advocated, and its simulation technology based on the hybrid combination of human behavior and structures and natural phenomena.

KKE's business performance was driven by projects such as its analysis for disaster prevention and reduction, seismic retrofit for the medium- and long-term preservation of buildings, and development of structural calculation systems for major housing manufacturers. Having been given many work opportunities not only by private enterprises but also by central government offices, it was a fulfilling year in seeking to realize a better society and further boost the company's added value as a publicly-traded firm.

What were the landmark events in the 57th term?

In September 2014, for the purpose of transferring the task of container stowage planning of Nippon Yusen K.K. (NYK) from Singapore to Kumamoto Prefecture, Japan, KKE established a stowage planning center for container shipping jointly with NYK in KKE's Kumamoto Office. In March 2015, the planning center launched operations. This center plays a central role in the stowage planning of NYK's containerships in the Asian region, in addition to cooperation with container terminals at calling ports. The center is attracting a great deal of attention

as a model of regional revitalization as hiring competent individuals locally in Kumamoto Prefecture as staff.

Also in September 2014, Promotech Software, Inc.—which is KKE's partner company engaged in the development/marketing of particle-based simulation software for CAE “Particleworks” and fluid analysis consulting—was honored the Minister of Education, Culture, Sports, Science and Technology Award, the highest award at the Award for Academic Startups 2014 sponsored by the Japan Science and Technology Agency, and the University of Tokyo and KKE shared the commendation as the supporting university and supporting company, respectively. Use of this software is increasing not only in relation to disaster prevention and reduction such as in debris flow simulation, but also in a wide range of industries including automobiles, pharmaceuticals, cosmetics and food. Initiatives to stimulate usage by holding user's conference and forums together to share empirical knowledge with each other within the bounds of duty of confidentiality and seek interaction cutting across different industries reflect the ideal on which KKE was founded, that is, to serve as a company that bridges academia and industrial worlds. I believe it is a business model in which KKE's technology consulting efforts have been extremely successful, in terms of serving as a good adviser to the customer, finding issues together, and while providing assistance in reaching a solution, creating new added value based on the relationship of trust that has been built over a long period of time.

Furthermore, KKE invested in the “Kansai Science City ATR-Venture NVCC Investment Limited Partnership”, which was established in February 2015 as a venture fund to commercialize seed technologies owned by the Advanced Telecommunications Research Institute International (ATR)—the core research institute of Kansai Science City. KKE has continually introduced academic knowledge and provided

engineering knowledge that contributes to the solution of social issues since its establishment as a *professional design and engineering firm that bridges the academic and industrial worlds*. Looking ahead, I believe the probability of creation of high value-added businesses will further improve by bringing together ATR's seed technologies and KKE's wealth of experience in spreading technologies.

It goes without saying that it is important to generate sound profits given that KKE is a publicly-traded company; however, profit is merely one of the targets, and I believe KKE's existence value lies also in contributing to a better society through its technology consulting operations. The aforementioned three events are all regarded as examples in which KKE's stakeholders including customer companies, partner companies, local communities, society and employees have realized improvements in added value, and I hope to engage in more socially beneficial initiatives in the future based on such management stance.

What are KKE's growth strategies from a medium- and long-term perspective?

As the business is growing smoothly at present, KKE set “Innovating for a Wise Future” as a Thought, a future vision and direction to be sought together with society. It reflects our desire to create a future society full of wisdom together with our stakeholders by utilizing our technologies based on engineering knowledge.

To this end, I believe the first and foremost assumption is that, as an organization, we must endeavor to consistently maintain quality at a high level that fulfills customers' requirements for products and services. We will continue to make company-wide efforts to create an organizational culture that takes an uncompromising stance with respect to quality.

Preparation for future business expansion will not be neglected either. Envisioning our business portfolio in three to five years time, we are working to create new value build based on engineering in seven new business agendas, namely: *building a safe and secure society; realizing and implementing a sustainable society; evaluating policies and designing systems for the future; stimulating economy and industry/creating businesses; bringing about innovative changes in the energy market; taking the initiative in a wireless society; and helping the socially vulnerable*.

In the context of global business investment, in January 2015, we established a local subsidiary for conducting marketing activities in Singapore. Our aim is to build a solid networks in the ASEAN region where further expansion of markets is expected in the future, and in July 2015, we held an inauguration ceremony for the subsidiary. We intend to continue putting

efforts in human resources development to firmly establish technology marketing, and implementing “Design & Engineering” also in foreign countries by making the most of our experience in bringing about higher added value in Japan as well as our experience in resolving issues in Japan.

Also, the careful management of intellectual property, which is the source of KKE's added value, is becoming increasingly important. We intend to further enhance our preparedness on the legal front not only in terms of securing intellectual property but also in view of clarifying the scope of responsibility and making intellectual property open to the public.

What is your message to the shareholders?

In the fiscal year ending June 30, 2016, I believe it will be important to steadily execute the work derived from good business opportunities that we have developed with customers, and achieve the business performance as planned. We will endeavor to establish businesses that will become the mainstay of new operations initiated by the Business Development Dept. and Marketing Unit.

As I believe human growth is of utmost importance, efforts will be made especially in the development of young, highly capable managers and engineers. Our recruitment activities undertaken in Singapore in June 2014 and February 2015 have led to the hiring of a total of 13 foreign nationals who graduated from top universities of science and technology in Southeast Asia. While the percentage of foreign employees is currently approximately 4%, we will continue to engage in overseas recruitment activities into the future, based on the belief that interaction among diverse employees will lead to the creation of new value. For the future, we hope to expand our networks by placing such foreign employees at the core in Southeast Asia, the Middle East and other regions, and in doing so, bring about further evolution of KKE as an enterprise.

I would like to ask all of our shareholders for their continued support.



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Prometech Software, Inc. wins Minister of Education, Culture, Sports, Science and Technology Award at the Award for Academic Startups 2014; University of Tokyo and KKE share the commendation

Prometech Software, Inc. a partner company of KKE, was honored at the Award for Academic Startups 2014 sponsored by the Japan Science and Technology Agency. The University of Tokyo and KKE shared the commendation as the supporting university and supporting company, respectively. The Award for Academic Startups is a new awards program initiated in fiscal 2014 to commend outstanding venture companies that are expected to play an active role in the future.



Welcoming ceremony of soon-to-be employees

Project awards KKE holds an annual project award ceremony to commend excellent in-house projects and sharing their achievements.

56th Annual Shareholders' Meeting

NYK and KKE jointly establish GLO Planning Center for container stowage in Kumamoto Prefecture

The center was established to transfer the task of container stowage planning of NYK from its office in Singapore to KKE's Kumamoto Office, in Kumamoto Prefecture, Japan. It plays a central role in the stowage planning of NYK's containerhips in the Asian region, in addition to cooperation with container terminals at calling ports.

For the future, KKE will seek to expand the logistics business in the rapidly-growing Asian region and provide stable, high value-added services by further fusing the advanced OR techniques and data-analysis technology it has cultivated over many years with NYK's capabilities.



October

Kumamon visits KKE

Kumamon, Kumamoto Prefectural Government's official mascot, visited KKE's New Annex as to express its appreciation for establishing the GLO Planning Center in the KKE's office located in Kumamoto Prefecture.



KKE Vision 2014

KKE Vision is an event that has been held continuously in various forms for more than a decade by KKE, serving as an interface between universities, research institutes and business partners for sharing engineering knowledge.

Approximately 700 people participated in KKE Vision 2014, which was held based on the theme "A Future Fought Together, A Society Built Together."

December

Company-wide year-end party

The company-wide year-end party was held at the Westin Tokyo, where the results of the in-house business idea contest were also announced.



Local subsidiary in Singapore KKE SINGAPORE PTE. LTD.

KKE established a local subsidiary serving as a base for marketing activities to build networks in the ASEAN region.



KKE wins "The Prize of Technical Committee on Network Systems (14th)" of the Institute of Electronics, Information and Communication Engineers

KKE holds MAS Conference 2015

Since 1996, KKE has been participating in the business network of Santa Fe Institute of the United States and continuing research in the complex systems field. The Multi-Agent Simulation (MAS) Conference was held to provide an opportunity where users of "artiso", a complex system simulation developed by KKE, can share their simulation technology and information through a competition. Users showcase their accomplishments, and explore new themes for activities to further spread the technology.

32nd Hattori Award

The Award was established to commend employees who have contributed to cooperation with government, industry and academia, and social contribution activities. The 32nd Award was presented to Toshiyuki Mori who made great efforts in "Expansion of Social Simulation Business."



February

KKE Joins KEIDANREN (Japan Business Federation)

March

KKE wins Japan Association for Earthquake Engineering's "JAEE Incentive Award" 2014



May

Osaka Branch Office 50th anniversary of establishment



KKE invests in Kansai Science City ATR-Venture NVCC Investment Limited Partnership

The combination of ATR's seed technologies and KKE's wealth of engineering knowledge is deemed to bring about greater probability in the creation of high value added businesses in the future.

Initiation ceremony and length-of-service award ceremony

KKE has gained a total of 28 new members, consisting of 14 men and 14 women, including 6 foreign nationals. A total of 25 employees were awarded for their long years of service at KKE: 13 employees for 20 years of service, and 12 employees for 30 years of service.

April

September

KKE receives a commemorative distinguished service award at the 20th anniversary ceremony of The Japan Society of Seismic Isolation

August

In-house forum

An in-house forum was held at the Prince Park Tower Tokyo to bring employees on the same page, and also to celebrate KKE's 55th foundation anniversary.

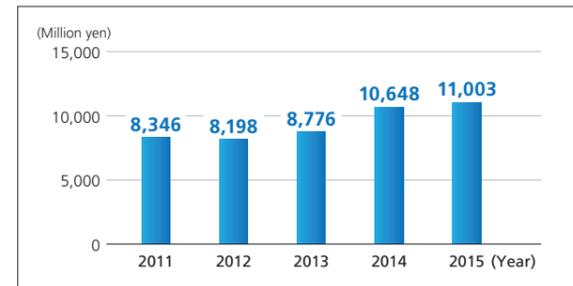


July

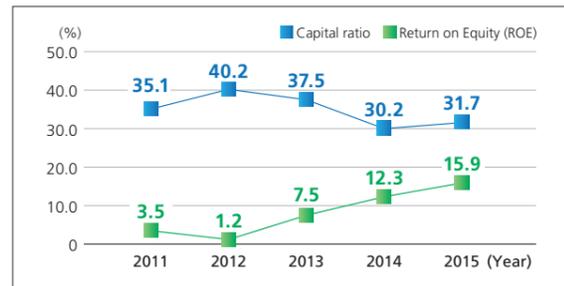
Joint development of next-generation automotive logistics solution with NYK Group and Weathernews Inc.

The project was launched to create new value in the automotive logistics supply chain and offer next-generation solutions for customers by fusing each company's advantage: the NYK Group's knowledge, on-site capabilities and the global network built through its worldwide business, Weathernews' innovative infrastructure network and weather forecast technology, and KKE's cutting-edge simulations that make use of advanced OR techniques and data-analysis technology.

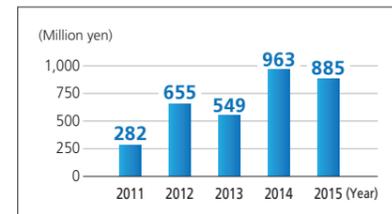
Net Sales



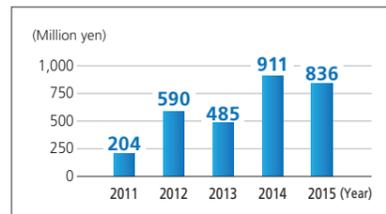
Capital ratio/Return on Equity (ROE)



Operating Income



Ordinary Income



Net Income



Highlights of Balance Sheet

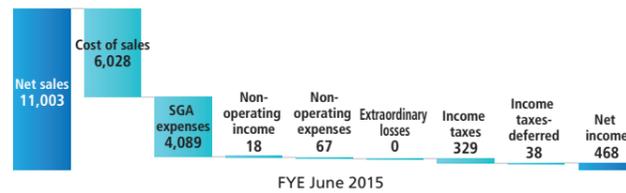
(Unit: Million yen)



- Total assets increased 8.9% year on year to ¥9,953 million.
- Total liabilities increased 6.4% year on year to ¥6,797 million.
- Total net assets increased 14.5% year on year to ¥3,156 million, due mainly to a ¥93 million increase in other capital surplus and a ¥215 million increase in retained earnings brought forward.

Income Statement Highlights

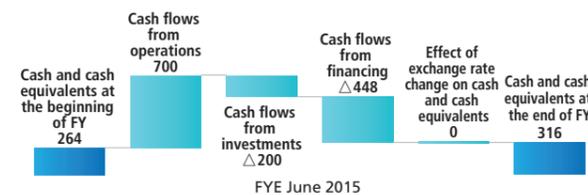
(Unit: Million yen)



- Net sales were solid, increasing 3.3% year on year to ¥11,003 million.
- Operating income and ordinary income decreased year on year due to such factors as the increase in marketing expenses for obtaining orders and launching new businesses from a medium- and long-term perspective. However, net income increased ¥73 million year on year to ¥468 million.

Cash Flow Statement Highlights

(Unit: Million yen)



- Net cash provided by operating activities amounted to ¥700 million, due mainly to net income before taxes of ¥836 million and depreciation of ¥239 million.
- Net cash used in investing activities amounted to ¥200 million, due mainly to purchase of property, plant and equipment of ¥52 million.
- Net cash used in financing activities amounted to ¥448 million, due mainly to the decrease in short-term borrowings of ¥250 million.

Summarized Balance Sheet (Unit: Thousand yen)

	FYE June 2014 (As of June 30, 2014)	FYE June 2015 (As of June 30, 2015)
(Assets)		
Current assets	2,567,300	3,338,257
Cash and deposits	264,057	316,021
Notes receivable-trade	43,425	146,007
Accounts receivable-trade	1,066,149	1,608,906
Goods in process	407,291	432,928
Other	786,376	834,394
Fixed assets	6,575,843	6,614,920
Property, plant and equipment	5,119,855	5,065,043
Intangible assets	363,704	323,184
Investments and other assets	1,092,282	1,226,692
Total assets	9,143,143	9,953,178
(Liabilities)		
Current liabilities	4,566,230	4,848,050
Accounts payable-trade	229,176	315,984
Short-term borrowings	1,950,000	1,700,000
Long-term borrowings due within one year	182,890	120,000
Other	2,204,163	2,712,065
Long-term liabilities	1,819,963	1,948,995
Long-term borrowings	292,500	172,500
Lease obligations	48,831	38,245
Provision for retirement benefits	1,419,014	1,666,990
Provision for directors' retirement benefits	40,000	40,000
Asset retirement obligations	19,617	31,258
Total liabilities	6,386,193	6,797,045
(Net Assets)		
Shareholders' equity	2,753,734	3,120,190
Capital stock	1,010,200	1,010,200
Capital surplus	1,041,464	1,134,568
Retained earnings	2,444,876	2,660,360
Treasury stock	△1,742,807	△1,684,937
Valuation and translation adjustments	3,215	35,942
Total net assets	2,756,949	3,156,133
Total liabilities and net assets	9,143,143	9,953,178

Summarized Income Statement (Unit: Thousand yen)

	FYE June 2014 (From July 1, 2013 to June 30, 2014)	FYE June 2015 (From July 1, 2014 to June 30, 2015)
Net sales	10,648,013	11,003,229
Cost of sales	5,979,048	6,028,631
Gross profit	4,668,964	4,974,598
SGA expenses	3,705,569	4,089,237
Operating income	963,395	885,360
Non-operating income	12,012	18,743
Non-operating expenses	63,463	67,866
Ordinary income	911,945	836,238
Extraordinary losses	240,640	84
Net income before taxes	671,304	836,153
Income taxes-current	363,363	329,342
Income taxes-deferred	△86,804	38,148
Net income	394,745	468,663

Summarized Cash Flow Statement (Unit: Thousand yen)

	FYE June 2014 (From July 1, 2013 to June 30, 2014)	FYE June 2015 (From July 1, 2014 to June 30, 2015)
Cash flows from operations	1,180,770	700,045
Cash flows from investments	68,985	△200,198
Cash flows from financing	△1,365,609	△448,256
Effect of exchange rate change on cash and cash equivalents	△404	373
Net increase (decrease) in cash and cash equivalents	△116,259	51,964
Cash and cash equivalents at the beginning of FY	380,316	264,057
Cash and cash equivalents at the end of FY	264,057	316,021

Statement of Changes in Net Assets (Unit: Thousand yen)

FYE June 2015 (From July 1, 2014 to June 30, 2015)	Shareholders' equity										Valuation and translation adjustments		Total net assets	
	Capital stock	Capital surplus			Retained earnings				Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
		Legal capital surplus	Other capital surplus	Total capital surplus	Reserve for advanced depreciation of fixed assets	Reserve for special depreciation	General reserve	Retained earnings brought forward						Total retained earnings
Balance as of July 1, 2014	1,010,200	252,550	788,914	1,041,464	31,968	1,552	100,000	2,311,355	2,444,876	△1,742,807	2,753,734	3,215	3,215	2,756,949
Cumulative effects of changes in accounting policies								△95,450	△95,450		△95,450			△95,450
Restated balance	1,010,200	252,550	788,914	1,041,464	31,968	1,552	100,000	2,215,905	2,349,426	△1,742,807	2,658,284	3,215	3,215	2,661,499
Changes of items during the period														
Dividends from surplus								△157,730	△157,730		△157,730			△157,730
Net income								468,663	468,663		468,663			468,663
Reversal of reserve for advanced depreciation of fixed assets					△1,336			1,336						
Changes in reserve for advanced depreciation of fixed assets due to changes in tax rate					1,556			△1,556						
Reversal of reserve for special depreciation						△388		388						
Changes in reserve for special depreciation due to changes in tax rate							56	△56						
Purchase of treasury stock										△189,894	△189,894			△189,894
Disposal of treasury stock			93,103	93,103						247,764	340,867			340,867
Net changes of items other than shareholders' equity												32,727	32,727	32,727
Total changes of items during the period			93,103	93,103	219	△332		311,046	310,933	57,869	461,906	32,727	32,727	494,633
Balance as of June 30, 2015	1,010,200	252,550	882,018	1,134,568	32,187	1,220	100,000	2,526,952	2,660,360	△1,684,937	3,120,190	35,942	35,942	3,156,133

What's KKE?

Our Services Are Directly Linked to Society's Safety, Environment and Cost

Innovation in product manufacturing and logistics systems. From infrastructure development to building disaster prevention networks based on IT. Although they may be invisible to the eyes, our technologies play important roles in the society. KKE has steadily achieved results and earned its customers' trust.



Past Achievements



Presenting the simulation results by **Particleworks** convinced the production site to change the way things are done and led to the **first step in making improvements**.



In 2012, Shiseido Co., Ltd., the leading cosmetics company in Japan, started using Particleworks, a computational fluid dynamics (CFD) software based on an advanced numerical method known as the Moving Particle Simulation (MPS) method. We interviewed Dr. Yoshihiro Yokokawa (who was initially skeptical of simulation itself) and Ms. Aya Tanaka (who urged him to utilize the software after having engaged in analysis for long periods) at the Technology & Engineering Center about their aims, achievements and upcoming challenges.



Particleworks, a CFD software based on the Moving Particle Simulation (MPS) method. It can calculate free surface flows including splashing and complex fluid behaviors such as gear oil behavior. It can also conduct liquid-solid, liquid-powder coupled analyses.

[Application and Results] Lipstick failure rate reduced to less than one-tenth

— Give us an example of a successful application of Particleworks.

Lipsticks, which are slightly sharpened at the tip, are uniquely shaped. However, this unique shape has always been a problem, because the sharpened top often ends up with small bubbles inside. These bubbles are generated when the highly viscous lipstick material is poured into the lipstick holders. So we ran simulations of the manufacturing process on filling lipstick holders using Particleworks. The simulation results indicated that the bubbles could be reduced substantially under certain conditions.

After seeing the results, an engineer at the production site implemented a workaround, which successfully reduced the amount of bubbles formed during actual production. In fact, the failure rate for lipsticks was reduced to less than one-tenth the number before the improvement was made.

Let me give you another example. Two-color foundation requires highly challenging production skills since they have different physical properties, such as viscosity, and we have to pour them into a container and create a straight boundary in the very middle of those two materials. Before we used Particleworks, trained engineers used to adjust the pouring position and flow speed in accordance with the fillings and then surfaced the products. After we ran a simulation on Particleworks, the results enabled us to automate the production process by improving the function of certain equipment.

We may encounter more such cases of analysis software being used to support the introduction of production equipment that does not require experienced skill in the near future. As a matter of fact, it is not realistic to expect that local engineers at foreign production sites will have such experienced craftsmanship.

At production sites, in a sense, all that matters is the ability to produce products without defects. It is true that we must utilize these technologies when we seek to produce products with stricter quality requirements. With the analysis results by Particleworks, we were able to facilitate the improvements. I think that Particleworks is a tool to create new value in the next generation.



A Simulation of filling a holder with lipstick material

Clarifying some of the questions concerning the realities of mixing

— Could you tell us about your joint research on a homo mixer (a high-speed stirrer) with a machinery manufacturer and KKE, using Particleworks?

For example, homo mixers, general equipment used for mixing water and oil, have rotating blades to cause mixing phenomena. These blades are hidden by jackets, and rapidly rotate to push the materials through extremely narrow clearances. Due to structural characteristics, sampling or analysis is impossible. So we started looking into what was really going on by using Particleworks. If we can reveal the mechanism of mixing, we will be able to develop a process of homogeneous mixing, and it will also serve as valuable data for product development for machinery manufacturers.

We, together with KKE, are currently conducting analysis by running Particleworks on a supercomputer. I'm very hopeful that we can achieve a positive outcome.



A Simulation result: Mixing simulation for milky liquid

KKE will contribute to the promotion of designing a better society and systems for the next generation by solving issues that society faces as a outstanding engineering company that bridges universities, research institutions and the business world.

Thought: A future vision to be sought with society

Innovating for a Wise Future

- Desire to create a bright future society with full of human wisdom
- The term "Innovating" is used to describe the process of creating society utilizing our technology based on engineering knowledge.

Mission: What KKE hopes to be

Professional Design & Engineering Firm

- An organization that creates high added value through unique academic and empirical knowledge. solutions based on engineering approaches inspired by a combination of

The belief that all KKE employees should be sharing as a professional in creating new knowledge

KKE WAY

Five "I"s to Enhance Added Value (Attitude)

Intelligent
Independent
Interdisciplinary
Innovative
International

- Engage to business based on compensation for knowledge and social contribution
- Establish an environment with totally unrestricted, free thinking
- Integrate and fuse diverse academic fields
- Have the structure, culture, and DNA to challenge new ideas
- Create alliances with overseas partners with different knowledge

Three Principles for Action (To Become a Professional Design & Engineering Firm)

- 1 Collaboration: Always have a broad vision.**
Cooperate with partners both within and outside the Company.
- 2 Feedback: Use the PDCA cycle.**
Learn even from failure to enhance the strength of the organization.
- 3 Speed: Stay ahead of the evolution of information technology.**
Act promptly as members of the organization.

Employees' growth

- Dispatch to Stanford University
- Academic society activities
- 32nd Hattori Award



- Project awards



Third UN World Conference on Disaster Risk Reduction Public Forum

Code of Conduct

- Code of Conduct
- Guidelines for each and every employee to act in an independent, appropriate and fair manner to win the confidence of society



Investment in New Businesses

- Invested in Kansai Science City ATR-Venture NVCC Investment Limited Partnership

Intellectual Property Strategy

- KKE was ranked third for its size of patent assets in 2014 as a company in the field of information and communication in emerging markets/ (cited from Patent Result Co., Ltd.)

Integrated Policy for Quality and Environment

- 1 Obtain first-class customer satisfaction
- 2 Improve environmental added-value
- 3 Comply with laws and regulations

Increase in Employees

- Activities to hire new graduates
- Overseas recruitment activities



Global Initiatives

- Founder of the Japan Bosai Platform
- Established a local subsidiary in Singapore





Corporate Data (As of June 30, 2015)

Name of Company: KOZO KEIKAKU ENGINEERING Inc.
 Date of Establishment: May 6, 1959
 Number of Employees: 565
 Accounting term: June
 Listed on: Tokyo Stock Exchange (JASDAQ Standard)
 Code: 4748
 Line of Business: Engineering Consulting
 System Solutions
 Product Service

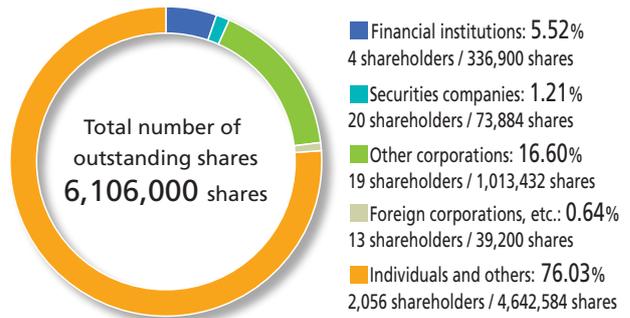
Locations:

Head Office: Japan Holstein Hall, 4-38-13 Hon-cho, Nakano-ku, Tokyo 164-0012
 Head Office, New Annex: 4-5-3, Chuo, Nakano-ku, Tokyo 164-0011
 Nakano Innovation Office: Nakano Central Park South 2F, 4-10-2, Nakano, Nakano-ku, Tokyo 164-0001
 Osaka Branch Office: Midosuji MTR Building 5F, 3-6-3 Awaji-cho, Chuo-ku, Osaka, 541-0047
 Chubu Sales Office: Asahi Kaikan 11F, 1-3-3 Sakae, Naka-ku, Nagoya, Aichi, 460-0008
 Kumamoto Office: 1315 Muro, Ozu-machi, Kikuchi-gun, Kumamoto 869-1235
 Shanghai Rep. Office: Shanghai World Financial Center, 15F, No.100 Century Avenue, Pudong New Area, Shanghai, 200120 China
 KKE SINGAPORE PTE. LTD.: Level 11, Marina Bay Financial Centre, Tower 1, 8 Marina Blvd, 018981 Singapore

Share Status (As of June 30, 2015)

Total number of authorized shares: 21,624,000 shares
 Total number of outstanding shares: 6,106,000 shares
 Number of shareholders: 2,112

Composition of Shareholders (As of June 30, 2015)



(Note) Figure in the "Individuals and others" includes 1,504,528 shares of treasury stock.

Additional information

Fiscal year: from July 1 to June 30 of the following year
 Record date: June 30
 Annual meeting of shareholders: Every September
 Administrator of shareholder registry:
 Special account management institution: Mitsubishi UFJ Trust and Banking Corporation
 Contact Information for the above: Stock Transfer Agency Division, Mitsubishi UFJ Trust and Banking Corporation
 7-10-11, Higashisuna, Koto-ku, Tokyo 137-8081
 TEL: 0120-232-711 (Toll free)
 Method of Public Notice: By electronic public notice
 URL where public notice is posted: <http://www.kke.co.jp> (Japanese only)
 (However, public notice is posted on the Nihon Keizai Shimbun in the event that electronic public notice is unavailable due to accident or other unavoidable reasons.)

Email Delivery Service of IR Information (Available in Japanese Only)

Press releases and IR site updates are notified via e-mail through D-ir Net Service.



<http://www.kke.co.jp/ir/>