



March 8, 2011

OBAYASHI CORPORATION announces acquisition of shares in Kenaidan, a Canadian general contracting company

Tokyo, March 8, 2011 — Obayashi Corporation (hereinafter referred to as “Obayashi”), through its newly established and fully owned Canadian subsidiary, Obayashi Canada Holdings Ltd. (established in Canada for the purpose of this acquisition), closed a share purchase agreement with Kenaidan Group Ltd. (hereinafter referred to as “Kenaidan”), a general contracting company headquartered in Ontario, Canada, and completed the acquisition of shares of Kenaidan on March 7, 2011 (in Canadian EST time). Kenaidan now joined the Obayashi Group as a consolidated subsidiary.

1. Purpose of acquisition of Kenaidan shares

North America region occupies a significant strategic position in Obayashi’s overseas construction operations and construction market in Canada, where growth in investment is expected especially in the public sector, is highly attractive to Obayashi.

Kenaidan is headquartered near Toronto, the economic center of Canada. Over the years, the company has participated in a vast range of projects in the region with its advanced technical capabilities in civil engineering such as construction of water treatment facilities.

Kenaidan’s extensive local knowledge and contacts combined with Obayashi’s credibility, technical capabilities and expertise in managing large-scale projects will have a synergistic effect on pursuing such new opportunities as growing Public Private Partnership market in Canada. Obayashi concluded that having Kenaidan as its consolidated subsidiary will increase the strategic advantage to its overseas operations and decided to acquire Kenaidan as its consolidated subsidiary.

Kenaidan’s current management will continue to operate the company following the acquisition.

2. About Kenaidan

- a. Company name: Kenaidan Group Ltd.
- b. Representatives: Aidan Flatley, CEO; Peter Sullivan, CFO
- c. Company address: Mississauga, Ontario, Canada (suburbs of Toronto)
- d. Established: 1974
- e. Main business activities: Civil engineering and other general contracting
- f. Regions of operation: Canada (Mainly in Ontario and British Columbia areas) and the East Coast U.S.
- g. Fiscal year ending: November
- h. Number of employees: 280 (130 salaried employee, 150 hourly employee)
- i. Recent business performance:

(Millions of CAD)

	2009 (Actual)	2010 (Actual)
Net sales	174	206

CAD: Canadian Dollar (CAD1= 83 yen as of February 28, 2011)

3. Percentage share held by Obayashi

Obayashi Canada Holdings Ltd. holds 51% of Kenaidan share and the founder and the employees of Kenaidan continue to hold the rest.

4. Impact on Obayashi's consolidated performance

Kenaidan will be consolidated starting from Obayashi's fiscal 2011. Therefore, the acquisition has no impact on Obayashi's consolidated performance for the fiscal 2010 ending March 2011.

Disclaimer

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If you have any questions, please contact Obayashi investor relations at irk@ml.obayashi.co.jp.

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