

Fiscal Year ending October 31, 2007

Summary of Third Quarter Operating Results (Consolidated)

September 7, 2007

Listed Company Name **Kanamoto Company, Ltd.**
 Company Code Number **9678**
 Listing Exchanges **Tokyo Stock Exchange, Sapporo Stock Exchange**
 (URL <http://www.kanamoto.co.jp>)
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1. Operating Results for the Third Quarter of the Fiscal Year Ending October 31, 2007 (November 1, 2006 - July 31, 2007)

(1) Consolidated Operating Results (Numbers less than one million yen have been rounded down)

	Revenues		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year Ending October 31, 2007: Third Quarter	52,237	(4.0)	3,687	(20.7)	3,915	(33.4)
Fiscal Year Ended October 31, 2006: Third Quarter	50,226	(8.3)	3,054	—	2,934	—
(Reference) Fiscal Year Ended October 31, 2006	68,023	—	4,068	—	3,788	—

	Net Income		Net Income per Share of Common Stock	Net Income per Share on a Fully Diluted Basis
	Millions of yen	%	Yen	Yen
Fiscal Year Ending October 31, 2007: Third Quarter	2,592	(138.1)	78.90	—
Fiscal Year Ended October 31, 2006: Third Quarter	1,088	—	36.48	—
(Reference) Fiscal Year Ended October 31, 2006	1,742	—	57.41	—

(Note) The percentages shown for revenues, operating income, ordinary income and net income are the percent increase or decrease compared to the same period of the prior fiscal year

(2) Change in Consolidated Financial Position

(Numbers less than one million yen have been rounded down)

	Total Assets	Net Assets	Owners' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Fiscal Year Ending October 31, 2007: Third Quarter	87,121	39,941	45.8	1,215.93
Fiscal Year Ended October 31, 2006: Third Quarter	83,639	34,676	41.5	1,162.02
(Reference) Fiscal Year Ended October 31, 2006	86,815	38,051	43.7	1,155.22

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(3) Consolidated Cash Flows

(Numbers less than one million yen have been rounded down)

	Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities	Balance of Cash and Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal Year Ending October 31, 2007: Third Quarter	4,161	−1,218	−1,724	19,617
Fiscal Year Ended October 31, 2006: Third Quarter	6,885	−151	−3,368	17,473
(Reference) Fiscal Year Ended October 31, 2006	8,414	−489	−3,635	18,398

2. Dividends

	Dividend per Share
(Date of Record)	Third Quarter
	Yen
Fiscal Year Ending October 31, 2007: Third Quarter	—
Fiscal Year Ended October 31, 2006: Third Quarter	—

3. Projected Consolidated Operating Results for the Fiscal Year Ending October 2007

(November 1, 2006 - October 31, 2007) (Reference)

	Revenues		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full-year	68,700	1.0	4,600	13.1	4,700	24.1

	Net Income		Net income Per Share
	Millions of yen	%	Yen
Full-year	2,400	3.7	73.05

(Note) The percentages shown for revenues, operating income, ordinary income and net income are the percent increase or decrease compared to the prior fiscal year

4. Other Matters

- (1) Were there any changes in material subsidiaries during the quarter under review (changes in specific subsidiaries in conjunction with a change in the scope of consolidation)? No
- (2) Has the Company adopted simplified methods for accounting treatment? Yes
- (3) Are there any differences with the methods of recognition used in the accounting treatment for the most recent consolidated fiscal year? No

(Note) For details see Page 7-8 (Qualitative information concerning the financial statements), 4. Other matters

5. Summary of Non-consolidated Operating Results

(November 1, 2006 - July 31, 2007) (Reference)

	Revenues		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year Ending October 31, 2007: Third Quarter	46,728	(4.4)	3,441	(26.9)	3,869	(37.8)
Fiscal Year Ended October 31, 2006: Third Quarter	44,745	(9.2)	2,710	—	2,807	(951.9)
(Reference) Fiscal Year Ended October 31, 2006	60,753	—	3,715	—	3,739	—

	Net Income		Net Income per Share of Common Stock	Net Income per Share on a Fully Diluted Basis
	Millions of	%	Yen	Yen
Fiscal Year Ending October 31, 2007: Third Quarter	2,660	(149.2)	80.99	—
Fiscal Year Ended October 31, 2006: Third Quarter	1,067	—	35.78	—
(Reference) Fiscal Year Ended October 31, 2006	1,720	—	56.67	—

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Owners' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Fiscal Year Ending October 31, 2007: Third Quarter	84,095	40,427	48.1	1,230.70
Fiscal Year Ended October 31, 2006: Third Quarter	80,304	35,094	43.7	1,176.04
(Reference) Fiscal Year Ended October 31, 2006	83,514	38,376	46.0	1,167.90

6. Projected Non-consolidated Operating Results for the Fiscal Year Ending October 2007

(November 1, 2006 - October 31, 2007) (Reference)

	Revenues		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full-year	62,000	2.1	4,300	15.7	4,700	25.7

	Net Income		Net income Per Share
	Millions of yen	%	Yen
Full-year	3,000	74.4	91.31

(Note) The percentages shown for revenues, operating income, ordinary income and net income are the percent increase or decrease compared to the prior fiscal year

Note: Explanation concerning appropriate use of the projected operating results and other items to note
The projected operating results were prepared based upon information available to the Company at the time the projections were announced as well as various assumptions concerning the future economic and business environment. Actual operating results may differ from the projected figures depending upon various factors in the future.