

Fiscal Year ending October 31, 2008

# Summary of First Quarter Operating Results (Consolidated)

March 7, 2008

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 First Quarter of the Fiscal Year Ending October 31, 2008 (November 1, 2007 - January 31, 2008)

### (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, 2008: First Quarter	18,375 ( -2.5 )	1,016 ( -53.2 )	974 ( -53.9 )
Fiscal Year Ended October 31, 2007: First Quarter	18,856 ( 7.7 )	2,173 ( 68.4 )	2,115 ( 70.9 )
Fiscal Year Ended October 31, 2007	68,626 ( 0.9 )	4,236 ( 4.1 )	4,416 ( 16.6 )

	Net Income	Net Income per Share of Common	Net Income per Share on a Fully Diluted
	Millions of yen    %	Yen	Yen
Fiscal Year Ending October 31, 2008: First Quarter	499 ( -69.2 )	15. 20	—
Fiscal Year Ended October 31, 2007: First Quarter	1,618 ( 410.0 )	49. 26	—
Fiscal Year Ended October 31, 2007	3,035 ( 74.2 )	92. 40	—

(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	Capital Adequacy Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Fiscal Year Ending October 31, 2008: First Quarter	88,950	39,461	44.1	1,193.12
Fiscal Year Ended October 31, 2007: First Quarter	89,613	39,829	44.3	1,208.57
Fiscal Year Ended October 31, 2007	85,155	39,973	46.9	1,216.98

## (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, 2008: First Quarter	572	-410	-129	17,989
Fiscal Year Ended October 31, 2007: First Quarter	2,018	681	-548	20,548
Fiscal Year Ended October 31, 2007	4,479	-1,427	-4,237	17,213

## 2. Dividends

	Dividend per Share
	Yen
Fiscal Year Ending October 31, 2008: First Quarter	—
Fiscal Year Ending October 31, 2007: First Quarter	—

## 3. Projected Consolidated Operating Results for the Fiscal Year Ending October 2008

(November 1, 2007 - October 31, 2008)

(Percentages show the change from the prior year)

	Revenues		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim period	37,500	3.5	3,400	-1.1	3,300	-3.6	1,800	-24.4	54.80
Full year	71,900	4.8	4,600	8.6	4,400	-0.4	2,300	-24.2	70.02

#### 4. Other

(1) Changes to material subsidiaries during the period (transfer of specified subsidiaries in conjunction with revision to scope of consolidation)? Yes

Newly consolidated Kyushu Kensan Co., Ltd.

Kensan Fukuoka Co., Ltd.

Kensan Techno Co., Ltd.

(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 "4. Other matters" on Page 7 (Qualitative information concerning the financial statements).

#### 5. Summary of Non-consolidated Operating Results (Reference)

(November 1, 2007 - January 31, 2008)

	Revenues	Operating Income	Ordinary Income
	Millions of yen    %	Millions of yen    %	Millions of yen    %
Fiscal Year Ending October 31, 2008: First Quarter	15,643 ( -7.3 )	1,011 ( -49.6 )	993 ( -50.8 )
Fiscal Year Ended October 31, 2007: First Quarter	16,881 ( 8.3 )	2,009 ( 83.5 )	2,018 ( 79.8 )
Fiscal Year Ended October 31, 2007	61,576 ( 1.4 )	4,012 ( 8.0 )	4,372 ( 16.9 )

	Net Income	Net Income per Share of Common	Net Income per Share on a Fully Diluted
	Millions of yen    %	Yen	Yen
Fiscal Year Ending October 31, 2008: First Quarter	567 ( -64.6 )	17. 28	—
Fiscal Year Ended October 31, 2007: First Quarter	1,602 ( 461.4 )	48. 77	—
Fiscal Year Ended October 31, 2007	3,431 ( 99.5 )	104. 44	—

#### (2) Non-consolidated Financial Position

	Total Assets	Net Assets	Capital Adequacy Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Fiscal Year Ending October 31, 2008: First Quarter	83,461	40,211	48.2	1,224.25
Fiscal Year Ended October 31, 2007: First Quarter	86,225	40,110	46.5	1,220.77
Fiscal Year Ended October 31, 2007	82,902	40,787	49.2	1,241.77

## 6. Projected Non-consolidated Operating Results for the Fiscal Year Ending October 2008

(November 1, 2007 - October 31, 2008)

(Percentages show the change from prior year)

	Revenues		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim period	32,100	-1.1	3,100	1.0	3,000	-6.1	1,600	-31.0	48.71
Full year	61,700	0.2	4,300	7.2	4,100	-6.2	2,200	-35.9	66.98

**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.