

Friday, November 28, 2008

For Immediate Release

Kanamoto Company, Limited

Stock Code 9678

Tokyo Stock Exchange 1st Section; Sapporo Stock Exchange

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Notification Concerning Recording of Extraordinary Losses

Kanamoto Company, Limited (Kanchu Kanamoto, President; Head Office: Sapporo, Japan), Japan's leading construction equipment rental company, has recorded the following extraordinary losses for the fiscal year ending October 31, 2008 (November 1, 2007 - October 31, 2008).

1. Details of the extraordinary losses

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| (1) Provision of allowance for doubtful accounts for subsidiaries and affiliates | ¥761 million |
| (2) Provision for loss on guarantees for subsidiaries and affiliates | ¥377 million |

2. Reason for recording the extraordinary losses

As a result of consultations with its audit firm, Kanamoto decided to reserve appropriate amounts from a standpoint of conservative accounting practices for guarantees of the loans and liabilities of certain consolidated subsidiaries, and has recorded these as extraordinary losses. Although their operating results have weakened because of the deterioration in the management environment, these consolidated subsidiaries remain important to the strategy of the Kanamoto Group, and the Company will continue without any revisions its policy of supporting the companies in question.

3. Future outlook

The amounts recorded are for guarantees of loans and liabilities related to certain Kanamoto consolidated subsidiaries, and will not have an affect on the Company's consolidated operating results.

The Company had already incorporated these losses into the projected full-year operating results released on August 29, 2008. For more details, please also see the "Notification Concerning Revision of Projected Full-Year Operating Results for the Business Period Ended October 2008" released today.

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