

For Immediate Release

Kanamoto Company, Limited

Stock Code 9678

Tokyo Stock Exchange 1st Section; Sapporo Stock Exchange

Nobuhito Utatsu

Director and Corporate Officer, Division Manager, Accounting Division

< Contact for inquiries concerning this material >

Yuichi Takayama

IR & Public Relations Section Manager, Office of the President

Telephone: + 81 – 11 – 209 – 1631

Notification Concerning Revision of Interim Period Operating Results and Projected Full-Year Operating Results for the Business Period Ending October 2009

Kanamoto Company, Limited (Kanchu Kanamoto, President; Head Office: Sapporo, Japan), Japan's leading construction equipment rental company, has made the following revisions to its projected consolidated and non-consolidated operating results for the interim period ending April 30 (November 1, 2008 - April 30, 2009) and the business period ending October 31, 2009 (November 1, 2008 - October 31, 2009) provided in the Financial Statements Bulletin for the Fiscal Year Ended October 31, 2008 released on December 5, 2008. Details are provided below.

1. Revised projection of consolidated operating results

(1) Interim period consolidated operating results (November 1, 2008 - April 30, 2009)

(Millions of yen except net income per share, which is in yen)

		Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share of Common Stock
Prior projection	(A)	34,900	2,100	1,900	1,000	30.45
Revised projection	(B)	32,300	780	580	-130	-3.96
Increase (decrease)	(B-A)	-2,600	-1,320	-1,320	-1,130	-
Rate of change	(%)	-7.4%	-62.9%	-69.5%	-	-
(Reference) Prior fiscal year (Interim period ended April 30, 2008)		37,236	2,918	2,833	1,476	44.97

(2) Fiscal year consolidated operating results (November 1, 2008 - October 31, 2009)

(Millions of yen except net income per share, which is in yen)

		Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share of Common Stock
Prior projection	(A)	68,200	2,600	2,200	1,000	30.45
Revised projection	(B)	63,900	510	90	-800	-24.36
Increase (decrease)	(B-A)	-4,300	-2,090	-2,110	-1,800	-
Rate of change	(%)	-6.3%	-80.4%	-95.9%	-	-
(Reference) Prior fiscal year (Business period ended October 31, 2008)		69,411	2,227	2,028	644	19.61

2. Revised projection of non-consolidated operating results

(1) Interim period non-consolidated operating results (November 1, 2008 - April 30, 2009)

(Millions of yen except net income per share, which is in yen)

		Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share of Common Stock
Prior projection	(A)	29,700	1,800	1,600	800	24.36
Revised projection	(B)	27,200	540	410	-230	-7.00
Increase (decrease)	(B-A)	-2,500	-1,260	-1,190	-1,030	-
Rate of change	(%)	-8.4%	-70.0%	-74.4%	-	-
(Reference) Prior fiscal year (Interim period ended April 30, 2008)			2,782	2,734	1,435	43.70

(2) Fiscal year non-consolidated operating results (November 1, 2008 - October 31, 2009)

(Millions of yen except net income per share, which is in yen)

		Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share of Common Stock
Prior projection	(A)	58,600	2,400	2,100	1,100	33.49
Revised projection	(B)	54,600	330	50	-720	-21.92
Increase (decrease)	(B-A)	-4,000	-2,070	-2,050	-1,820	-
Rate of change	(%)	-6.8%	-86.3%	-97.6%	-	-
(Reference) Prior fiscal year (Business period ended October 31, 2008)			2,461	2,369	183	5.59

3. Reasons for the revision

(Fiscal year ending October 2009 Interim operating results)

During the Company's first quarter, Japan's economy labored under extremely difficult conditions, including the rapid deterioration of the domestic corporate earnings environment because of the simultaneous worldwide economic slump since last autumn. The construction industry in particular is confronted by sluggish demand for construction work in both the public and private sectors, and under these conditions corporate bankruptcies among construction-related firms reached the highest level in Japan's history.

Although the Company expanded its market share in each region in terms of construction equipment rental orders in the first quarter, Kanamoto is faced with these circumstances as well, and revenues fell significantly below the Company's initial plan as a result. On the other hand, for sales of used construction equipment the Company adopted an initial plan that envisioned constrained sales volume, and earnings from overseas sales of used equipment were lower because sales were restricted to the number of units in the Company's initial plan, and because of the slump in used construction equipment prices, which resulted from the simultaneous slowdown of the global economy.

Currently the domestic political situation remains unsettled, and an increase in public spending as an economic stimulus measure has also been postponed. Under the present conditions, the Company judges that an economic recovery cannot be expected for some time. For the immediate future, the Company expects the slump in construction demand to continue, and anticipates the recovery of the construction equipment rental order environment to be delayed as well. Because of these conditions, the Company also believes the current downturn in the securities market will continue. Based on these considerations, the Company has revised its interim period operating results projection for the second quarter.

(Fiscal year ending October 2009 Full-year operating results)

At the present time the Company believes the management environment that has continued through the interim period will not alter significantly by the end of Kanamoto's fiscal year. The Company also believes there is little

prospect for a recovery by the end of the business period in the environment that caused the Company to book an asset impairment loss on negotiable securities for the first quarter, as announced in the Company's press release dated February 23. In light of these factors, the Company has revised its full-year operating results projection.

4. Other matters

Although the Company is not at the present time studying any change to its interim dividend and year-end dividend based on this revision of its operating results forecast, there is a possibility the Company could revise the dividend based on future changes in its operating results.

These projected consolidated operating results were prepared using projections based on information available to the Company as of the date this material was released and forecasts of the future economic, environment, and include various risks and uncertainty factors. Accordingly, there is a possibility the Company's actual consolidated operating results will differ from the projected amounts shown above as a result of various future factors, including but not limited to economic conditions surrounding the Company, market trends, and competitive conditions.

Kanamoto Co., Ltd. will announce its Summary of First Quarter Operating Results for the Business Period Ending October 2009 on March 12.

End