

For Immediate Release

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Narasaki Lease, Three Other Companies to Become Kanamoto Subsidiaries through Acquisition of Stock

At its Board of Directors meeting on March 27, 2009, the Board of Directors of Kanamoto Company, Limited (Kanchu Kanamoto, President; Head Office: Sapporo, Japan), Japan's leading construction equipment rental company, approved a resolution to acquire all of the shares of Narasaki Lease Co., Ltd., Tokyo Narasaki Rental Co., Ltd., Akita Narasaki Rental Co., Ltd. and Aomori Narasaki Rental Co., Ltd. from Narasaki Sangyo Co., Ltd. (Takashi Ishikawa, President; Head Office: Sapporo, Japan). The four companies will become subsidiaries of Kanamoto. Kanamoto and Narasaki Sangyo signed the stock transfer agreement today. Details of the stock acquisition are provided below.

1. Reason for the acquisition of stock (conversion to subsidiary companies)

Narasaki Lease, Tokyo Narasaki Rental, Akita Narasaki Rental and Aomori Narasaki Rental are developing an equipment rental business in tunnel works and turbid water control, a sector in which they possess specialized expertise. Although the companies have competed with Kanamoto in certain regions in the past, Kanamoto and the four companies will seek to further boost market share in their respective areas of expertise through by mutual collaboration in the future.

2. Summary of the transferred companies

Trade Name	Narasaki Lease Co., Ltd.	Tokyo Narasaki Rental Co., Ltd.	Akita Narasaki Rental Co., Ltd.	Aomori Narasaki Rental Co., Ltd.
President	Kouhei Osato	Yasumasa Yamamoto	Yasumasa Yamamoto	Yasumasa Yamamoto
Head Office	Ebetsu City, Hokkaido	Chuo-ku, Tokyo	Akita City, Akita Prefecture	Aomori City, Aomori Prefecture
Established	March 1980	April 2002	April 2002	April 2002
Business	Rental and sale of construction equipment	Rental and sale of construction equipment	Rental and sale of construction equipment	Rental and sale of construction equipment
Capital	228 million yen	50 million yen	20 million yen	20 million yen
Total Shares Issued	248,000 shares	1,000 shares	400 shares	400 shares
Narasaki Sangyo Percent Ownership	86.29%	100.0%	100.0%	100.0%
Most Recent FY Results	March 2008	March 2008	March 2008	March 2008
Revenues	2,739 million yen	287 million yen	222 million yen	271 million yen

3. Owner of the stock to be acquire and number of shares to be acquired

Kanamoto will acquire all of the stock of the four companies owned by Narasaki Sangyo Co., Ltd.

4. Schedule

March 27, 2009	Approval of resolution by Kanamoto's Board of Directors
March 31, 2009	Signing of Share Transfer Agreement
Mid-April 2009	Planned share transfer date

5. Future outlook

Narasaki Lease will become a consolidated subsidiary of Kanamoto. The remaining three companies will be non-consolidated subsidiaries. Kanamoto plans to dispatch directors to the four companies, which will be managed under their current management structures for the immediate future. No other changes have been decided at this time. Narasaki Lease will be included in Kanamoto's consolidated operating results from the end of the second quarter for the fiscal year ending October 31, 2009. The Company believes the effect of this change on its operating results for this fiscal period will not be material.

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