

For Immediate Release

Kanamoto Company, Limited

Stock Code 9678

Tokyo Stock Exchange 1st Section; Sapporo Stock Exchange
Kanchu Kanamoto

President and CEO

< Contact for inquiries concerning this material >

Yuichi Takayama

Manager, Investor and Public Relations, Office of the President

Phone: + 81-11-209-1631

takayama@kanamoto.co.jp

Notification Concerning Revision of Projected Full-Year Operating Results for the Business Period Ending October 2010

Kanamoto Company, Limited (Kanchu Kanamoto, President; Head Office: Sapporo, Japan), Japan's leading construction equipment rental company, has revised its projected consolidated and non-consolidated operating results for the business period ending October 31, 2010 (November 1, 2009 - October 31, 2010). The Company had earlier revised its projection on October 6, 2010. Details are provided below.

1. Revised projection of consolidated operating results for the Business Period ending October 2010

(November 1, 2009 - October 31, 2010)

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

	Revenues	Operating Income	Ordinary Income	Net Income	Net income per share
Prior projection (A)	69,200	2,250	1,760	670	20.40
Revised projection (B)	70,170	2,640	2,080	1,040	31.67
Increase (decrease) (B-A)	970	390	320	370	—
Rate of change (%)	1.4%	17.3%	18.2%	55.2%	—
(Reference) Prior fiscal year ended October 31, 2009	63,863	137	-222	-1,158	-35.28

2. Revised projection of non-consolidated operating results for the Business Period ending October 2010

(November 1, 2009 - October 31, 2010)

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

	Revenues	Operating Income	Ordinary Income	Net Income	Net income per share
Prior projection (A)	57,570	2,250	2,060	750	22.84
Revised projection (B)	58,080	2,530	2,370	1,030	31.37
Increase (decrease) (B-A)	510	280	310	280	—
Rate of change (%)	0.9%	12.4%	15.1%	37.3%	—
(Reference) Prior fiscal year ended October 31, 2009	54,447	417	172	-1,060	-32.28

3. Reasons for the revision of projected full-year operating results

Although Kanamoto was able to ensure an appropriate level of earnings through its interim period, thanks partly to the effects of the government's emergency economic countermeasures, in light of the extremely severe competition among construction equipment rental companies since the beginning of the period, the continuing downward trend in rental unit prices and the fact that works related to the emergency economic measures were winding down, the Company projected earnings would decline significantly in the second half, and particularly during the fourth quarter.

Nevertheless, Kanamoto minimized the decrease in revenues and earnings envisaged from the third quarter by bringing to fruition measures undertaken since last year to increase sales and improve the Kanamoto Group's share of the construction equipment rental market, and by successfully keeping the decline in asset management efficiency to a minimum by working to ensure an appropriate rental equipment asset line-up and efficient equipment utilization. In addition, because bankruptcies at construction-related firms tapered off as the result of financing measures enacted for small and medium-sized enterprises, the occurrence of non-performing claims was also lower than anticipated. As a result of these factors, Kanamoto's earnings performance improved more than initially projected, and the Company has revised its earnings projection for the full year at this time.

4. Other matters

Kanamoto previously announced it will release its Earnings Announcement for the Business Period Ending October 2010 on December 10. The revised schedule for release of the Earnings Announcement is December 8.

End

These projected consolidated operating results materials 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. Furthermore, there is a possibility the Company's actual consolidated operating results will differ from the projected figures shown above as a result of various future factors, including but not limited to economic conditions surrounding the Kanamoto Group, market trends, and competitive conditions.