

Non-Consolidated Balance Sheets

[As of April 30, 2003]

ASSETS

kanamoto co., ltd.

| | Millions of yen | | Thousands of U.S. dollars (Note) | |
|--|-------------------------------|------------------|----------------------------------|-------------------------------|
| | April 30, 2002 (Unaudited) | October 31, 2002 | April 30, 2003 (Unaudited) | April 30, 2003 (Unaudited) |
| Current assets : | | | | |
| Cash | ¥ 19,985 | ¥ 14,578 | ¥ 17,513 | \$ 146,371 |
| Notes receivable, trade | 11,376 | 10,423 | 12,998 | 108,629 |
| Accounts receivable, trade | 8,160 | 11,796 | 7,958 | 66,510 |
| Inventories | 544 | 399 | 417 | 3,490 |
| Other current assets | 3,540 | 3,126 | 2,832 | 23,665 |
| Less : Allowance for doubtful accounts | (367) | (462) | (573) | (4,787) |
| Total current assets | 43,238 | 39,860 | 41,145 | 343,878 |
| Property and equipment : | | | | |
| Rental equipment | 51,120 | 48,816 | 43,935 | 367,193 |
| Buildings | 10,876 | 10,825 | 10,922 | 91,283 |
| Structures | 3,866 | 3,874 | 3,940 | 32,932 |
| Machinery and equipment | 4,754 | 4,644 | 4,748 | 39,683 |
| Less : Accumulated depreciation | (44,179) | (42,841) | (40,784) | (340,858) |
| | 26,437 | 25,318 | 22,761 | 190,233 |
| Land | 24,258 | 24,228 | 24,247 | 202,645 |
| Construction in progress | 57 | 104 | 2 | 18 |
| Total property and equipment | 50,752 | 49,650 | 47,010 | 392,896 |
| Investments and other assets : | | | | |
| Investments and other assets | 7,551 | 7,780 | 7,786 | 65,075 |
| Less : Allowance for doubtful accounts | (607) | (573) | (558) | (4,665) |
| Total investments and other assets | 6,944 | 7,207 | 7,228 | 60,410 |
| | ¥ 100,934 | ¥ 96,717 | ¥ 95,383 | \$ 797,184 |

Note : U.S. dollar amounts have been translated from yen for convenience only, at the rate of ¥119.65=US\$1, the approximate exchange rate on April 30, 2003.

LIABILITIES AND SHAREHOLDERS' EQUITY

kanamoto co., ltd.

| | Millions of yen | | | Thousands of U.S. dollars (Note) |
|--|----------------------------------|---------------------|----------------------------------|-------------------------------------|
| | April 30, 2002 (Unaudited) | October 31, 2002 | April 30, 2003 (Unaudited) | April 30, 2003 (Unaudited) |
| Current liabilities : | | | | |
| Current portion of straight bonds | ¥ 5,278 | ¥ 5,278 | ¥ - | \$ - |
| Current portion of convertible bonds | - | 4,164 | 4,098 | 34,250 |
| Current portion of long-term bank loans | 8,115 | 8,289 | 9,761 | 81,580 |
| Notes payable, trade | 7,831 | 8,091 | 7,898 | 66,004 |
| Accounts payable, trade | 1,695 | 2,857 | 1,851 | 15,472 |
| Notes payable, other | 215 | 289 | 389 | 3,255 |
| Accounts payable, other | 8,105 | 7,888 | 6,695 | 55,959 |
| Accrued income taxes | 898 | - | 773 | 6,458 |
| Accrued bonuses for employees | 553 | 519 | 485 | 4,057 |
| Other current liabilities | 682 | 676 | 574 | 4,795 |
| Total current liabilities | 33,372 | 38,051 | 32,524 | 271,830 |
| Non-current liabilities : | | | | |
| Convertible bonds | 7,754 | - | - | - |
| Long-term bank loans | 16,336 | 16,858 | 22,780 | 190,389 |
| Long-term accounts payable, other | 9,816 | 8,614 | 6,545 | 54,700 |
| Accrued pension and severance costs | 2,042 | 1,660 | 1,732 | 14,473 |
| Other liabilities | 176 | 177 | 176 | 1,472 |
| Total non-current liabilities | 36,124 | 27,309 | 31,233 | 261,034 |
| Shareholders' equity : | | | | |
| Common stock | 8,597 | 8,597 | 8,597 | 71,849 |
| Additional paid-in capital | 9,720 | 9,720 | 9,720 | 81,240 |
| Legal reserve | 1,372 | 1,372 | 1,372 | 11,471 |
| Retained earnings | 11,665 | 11,778 | 12,194 | 101,911 |
| Net unrealized gain (loss) on other securities, net of taxes | 85 | (108) | (91) | (764) |
| Treasury stock | (1) | (2) | (166) | (1,387) |
| Total shareholder's equity | 31,438 | 31,357 | 31,626 | 264,320 |
| | ¥ 100,934 | ¥ 96,717 | ¥ 95,383 | \$ 797,184 |

Non-Consolidated Statements of Income

[For the six months ended April 30, 2003]

kanamoto co., ltd.

| | Millions of yen | | | Thousands of U.S. dollars (Note) |
|---|----------------------------------|---------------------|----------------------------------|-------------------------------------|
| | April 30, 2002 (Unaudited) | October 31, 2002 | April 30, 2003 (Unaudited) | April 30, 2003 (Unaudited) |
| Rental revenues | ¥ 19,925 | ¥ 39,206 | ¥ 20,090 | \$ 167,907 |
| Cost of rentals | 14,762 | 29,952 | 15,116 | 126,338 |
| Sales of goods | 10,052 | 21,401 | 10,553 | 88,202 |
| Cost of sales | 7,467 | 16,505 | 7,942 | 66,376 |
| Gross profit | 7,748 | 14,150 | 7,585 | 63,395 |
| Selling, general and administrative expenses | 6,197 | 11,895 | 5,937 | 49,623 |
| Operating income | 1,551 | 2,255 | 1,648 | 13,772 |
| Other income (expenses) : | | | | |
| Interest and dividend income | 8 | 56 | 39 | 326 |
| Interest expenses | (227) | (446) | (195) | (1,629) |
| Others, net | 145 | 188 | (142) | (1,187) |
| Income before income taxes | 1,477 | 2,053 | 1,350 | 11,282 |
| Income taxes : | | | | |
| Current | 843 | 830 | 749 | 6,265 |
| Deferred | (115) | 89 | (104) | (872) |
| | 728 | 919 | 645 | 5,393 |
| Net income | ¥ 749 | ¥ 1,134 | ¥ 705 | \$ 5,889 |

| | Yen | | | U.S.dollars (Note) |
|---------------------------------------|----------------------------------|---------------------|----------------------------------|----------------------------------|
| | April 30, 2002 (Unaudited) | October 31, 2002 | April 30, 2003 (Unaudited) | April 30, 2003 (Unaudited) |
| Per share of common stock : | | | | |
| Net income | ¥ 24.75 | ¥ 37.49 | ¥ 23.35 | \$ 0.20 |
| Cash dividends applicable to the year | 9.00 | 18.00 | 9.00 | 0.08 |

Outstanding Balance of Future Lease Payments (Non-Consolidated)

[For the six months ended April 30, 2003]

kanamoto co., ltd.

| | Millions of yen | | | Thousands of U.S. dollars (Note) |
|-------------------------|----------------------------------|---------------------|----------------------------------|-------------------------------------|
| | April 30, 2002 (Unaudited) | October 31, 2002 | April 30, 2003 (Unaudited) | April 30, 2003 (Unaudited) |
| Finance Leases | | | | |
| Within one year | ¥ 3,438 | ¥ 4,259 | ¥ 4,778 | \$ 39,929 |
| After one year | 6,621 | 12,900 | 15,120 | 126,365 |
| Total | ¥ 9,969 | ¥ 17,159 | ¥ 19,897 | \$ 166,294 |
| Operating Leases | | | | |
| Within one year | 1,616 | 1,543 | 1,897 | 15,855 |
| After one year | 2,783 | 2,643 | 3,291 | 27,504 |
| Total | ¥ 4,400 | ¥ 4,186 | ¥ 5,188 | \$ 43,359 |