



Fiscal Year ending October 31, 2005

Summary of Company Interim Financial Statements

June 10, 2005

Listed Company Name **Kanamoto Company, Ltd.**
 Company Code Number **9678**
 Listing Exchanges **Tokyo Stock Exchange**, Sapporo Stock Exchange
 Head Office Address 1-19, Odori Higashi 3-chome, Chuo-ku, Sapporo, Hokkaido Japan 060-0041
 (URL <http://www.kanamoto.co.jp>)
 Representative **Kanchu Kanamoto** President
 Inquiries **Nobuhito Utatsu**
 Director & Corporate Officer, Division Manager, Accounting Division
 TEL 81-11-209-1600

Please send inquiries in English to takayama@kanamoto.co.jp.

Date of Report to the Board of Directors June 10, 2005
 Interim Dividend System The Company has an interim dividend system
 Interim Dividend Payment Date July 19, 2005
 Has the Company adopted a Unit Stock System? Yes (1 unit equals 1,000 shares)

1 . Operating Results for the Interim Period ended April 30, 2005 (November 1, 2004–April 30, 2005)

(1) Operating Results

(Numbers less than one million yen have been rounded down)

	Revenues		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended April 30, 2005	29,080	- 2.2	1,169	-12.8	1,225	- 8.0
Six months ended April 30, 2004	29,726	- 3.0	1,341	-18.6	1,332	-17.8
Fiscal year ended October 31, 2004	59,274		1,842		1,827	

	Net Income		Net Income per Share of Common Stock	Net Income per Share of Common Stock Fully Diluted
	Millions of yen	%	Yen	Yen
Six months ended April 30, 2005	602	-39.4	20.16	-
Six months ended April 30, 2004	994	41.1	33.29	-
Fiscal year ended October 31, 2004	1,187		39.50	-

Notes 1. Average number of shares outstanding during the period

Six months ended April 30, 2005 29,857,851 shares
 Six months ended April 30, 2004 29,868,128 shares
 Fiscal year ended October 31, 2004 29,865,301 shares

2. Are there any changes in accounting method? No

3. The percentages shown for revenues, operating income, ordinary income and net income are the percent increase or decrease compared to the same period of the prior fiscal year

(2) Dividends

	Interim Dividend per Share of Common Stock	Annual Dividend per Share of Common Stock
Six months ended April 30, 2005	Yen 9.00	Yen
Six months ended April 30, 2004	9.00	
Fiscal year ended October 31, 2004		19.00

(3) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	Shareholders' Equity per Share
	Millions of yen	Millions of yen	%	Yen
Six months ended April 30, 2005	81,655	33,416	40.9	1,119.22
Six months ended April 30, 2004	85,577	32,958	38.5	1,103.57
Fiscal year ended October 31, 2004	85,469	32,933	38.5	1,102.69

Notes 1. Number of shares issued and outstanding at end of period

Six months ended April 30, 2005 29,856,811 shares

Six months ended April 30, 2004 29,865,040 shares

Fiscal year ended October 31, 2004 29,859,442 shares

2. Number of shares of treasury stock at end of period

Six months ended April 30, 2005 396,430 shares

Six months ended April 30, 2004 388,201 shares

Fiscal year ended October 31, 2004 393,799 shares

2. Projected Operating Results for the Fiscal Year Ending October 31, 2005

(November 1, 2004 - October 31, 2005)

	Revenues	Operating Income	Ordinary Income	Net Income	Annual Dividend per	
					Year-end	
Full year	Millions of yen 56,920	Millions of yen 1,320	Millions of yen 1,340	Millions of yen 350	Yen 9.00	Yen 18.00

Reference: Projected net income per share of common stock (Full year) ¥11.72

*The above projections were prepared based upon information available to the Company at the time the projections were announced as well as various assumptions concerning the future economic and business environment. Actual operating results may differ from the projected figures depending upon various factors in the future.

Company Financial Statements

1 . Comparative Balance Sheets

(Unit: Thousands of yen)

Category	Period		End of Current Fiscal Year Interim Period (As of April 30, 2005)		Prior Fiscal Year Summary Balance Sheet (As of October 31, 2004)	
	Amount	Percent	Amount	Percent	Amount	Percent
(A s s e t s)		%		%		%
Current Assets						
Cash and deposits	14,464,048		17,732,891		10,911,377	
Notes receivable, trade *1	10,821,369		2,317,748		10,889,913	
Accounts receivable, trade	7,920,844		8,687,044		11,067,221	
I n v e n t o r y	530,632		346,111		344,870	
Other current assets	2,751,175		2,764,063		2,586,085	
Allowance for doubtful accounts	- 569,845		-573,665		-629,663	
Total Current Assets	35,918,224	42.0	31,274,193	38.3	35,169,805	41.1
Fixed Assets						
(1) Tangible Fixed Assets *2						
Rental equipment	10,670,114		9,980,521		9,719,372	
Buildings and structures	5,654,104		5,542,979		5,731,090	
Land *4	24,381,774		25,788,514		25,838,381	
Other tangible fixed assets *4	2,445,952		2,187,840		2,235,645	
Total Tangible Fixed Assets	43,151,946		43,499,856		43,524,490	
(2) Intangible Fixed Assets	108,188		208,273		226,860	
(3) Investments and Other Assets						
Investment securities	3,743,612		4,196,108		3,800,470	
Other assets	3,481,145		3,363,991		3,591,554	
Allowance for doubtful accounts	- 596,090		-606,832		-564,006	
Reserve for investment losses	- 229,402		-280,000		-280,000	
Total Investments and Other Assets	6,399,264		6,673,267		6,548,018	
Total Fixed Assets	49,659,400	58.0	50,381,396	61.7	50,299,369	58.9
Total Assets	85,577,625	100.0	81,655,589	100.0	85,469,174	100.0

(Unit: Thousands of yen)

Category	Period	End of Prior Fiscal Year Interim Period (As of April 30, 2004)		End of Current Fiscal Year Interim Period (As of April 30, 2005)		Prior Fiscal Year Summary Balance Sheet (As of October 31, 2004)	
		Amount	Percent	Amount	Percent	Amount	Percent
(Liabilities)			%		%		%
Current Liabilities							
Notes payable, trade	*1,5	7,738,928		9,313,631		8,967,156	
Accounts payable, trade	*5	2,182,236		1,930,210		2,838,409	
Short-term bank loans		10,356,000		10,324,000		10,747,000	
Accounts payable, other		4,715,460		3,249,439		4,065,427	
Corporate taxes payable		636,363		646,600		362,284	
Accrued bonuses to employees		449,264		466,202		436,029	
Equipment notes payable		93,278		231,998		174,013	
Other current liabilities		554,106		502,749		485,855	
Total Current Liabilities		26,725,637	31.2	26,664,832	32.7	28,076,177	32.9
Long-term Liabilities							
Long-term bank loans		21,104,000		18,040,000		20,735,000	
Long-term accrued expenses		3,532,304		2,125,996		2,426,551	
Accrued employees retirement benefits		1,184,745		1,315,092		1,226,848	
Retirement allowance to directors and auditors		72,746		93,236		71,542	
Total Long-term Liabilities		25,893,796	30.3	21,574,325	26.4	24,459,941	28.6
Total Liabilities		52,619,433	61.5	48,239,158	59.1	52,536,118	61.5
(Shareholders' Equity)							
Common stock		8,596,737	10.0	8,596,737	10.5	8,596,737	10.0
Capital surplus							
Additional paid-in capital		9,720,343		9,720,343		9,720,343	
Total capital surplus		9,720,343	11.4	9,720,343	11.9	9,720,343	11.4
Earned surplus							
Legal earned surplus		1,375,287		1,375,287		1,375,287	
General reserve		11,281,684		11,831,684		11,281,684	
Unappropriated retained earnings (interim period)		1,519,528		1,189,722		1,443,580	
Total earned surplus		14,176,500	16.6	14,396,694	17.6	14,100,552	16.5
Valuation difference on other negotiable		643,902	0.7	886,693	1.1	697,897	0.8
Treasury stock		-179,292	-0.2	-184,036	-0.2	-182,475	-0.2
Total Shareholders' Equity		32,958,191	38.5	33,416,431	40.9	32,933,055	38.5
Total Liabilities and Shareholders' Equity		85,577,625	100.0	81,655,589	100.0	85,469,174	100.0

2 . Comparative Statements of Income

(Unit: Thousands of yen)

Category	Period	Prior Fiscal Year Interim Period (From November 1, 2003 to April 30, 2004)		Current Fiscal Year Interim Period (From November 1, 2004 to April 30, 2005)		Prior Fiscal Year Summary Statement of Income (From November 1, 2003 to October 31, 2004)	
		Amount	Percent	Amount	Percent	Amount	Percent
Operating revenues		29,726,200	100.0	29,080,330	100.0	59,274,381	100.0
Cost of revenues		22,481,134	75.6	21,963,898	75.5	45,811,415	77.3
Gross profit		7,245,066	24.4	7,116,431	24.5	13,462,966	22.7
Selling, general and administrative		5,903,507	19.9	5,946,705	20.5	11,620,779	19.6
Operating income		1,341,558	4.5	1,169,725	4.0	1,842,186	3.1
Non-operating revenues	*2	262,784	0.9	283,977	1.0	529,462	0.9
Non-operating expenses	*3	271,773	0.9	227,981	0.8	544,146	0.9
Ordinary income		1,332,569	4.5	1,225,721	4.2	1,827,502	3.1
Extraordinary profits	*4	612,176	2.0	107,312	0.4	620,226	1.0
Extraordinary losses	*5	95,958	0.3	246,400	0.9	204,949	0.3
Income before taxes and adjustments		1,848,787	6.2	1,086,633	3.7	2,242,779	3.8
Corporate, local and business taxes		597,617	2.0	571,986	2.0	832,790	1.4
Adjustment for corporate and other		256,897	0.9	-87,388	-0.3	222,880	0.4
Net income		994,271	3.3	602,035	2.0	1,187,109	2.0
Profit carry-forward from prior period		557,483		587,686		557,483	
Cash dividends		-		-		268,785	
Loss on elimination of stock of affiliated		32,226		-		32,226	
Unappropriated retained earnings		1,519,528		1,189,722		1,443,580	

3 . Notes to the Interim Financial Statements and Significant Accounting Policies

Item \ Period	Prior Fiscal Year Interim Period (From November 1, 2003 to April 30, 2004)	Current Fiscal Year Interim Period (From November 1, 2004 to April 30, 2005)	Prior Fiscal Year Summary Statement of Income (From November 1, 2003 to October 31, 2004)
1. Valuation standards and valuation methods for assets	<p>(1) Negotiable securities</p> <p>Common stock of subsidiaries and affiliated companies The Company has adopted the cost method based upon the moving average method</p> <p>Other negotiable securities Negotiable securities with a market on a securities exchange The Company has adopted the market value method (the full amount of the valuation difference is charged to equity using the direct transfer to capital method, with the disposal cost determined by the moving average method) based on the market price on the interim period closing date or similar prices</p> <p>Other negotiable securities The Company has adopted the cost method based upon the moving average method</p> <p>(2) Construction equipment Amount after deduction of depreciation expense calculated according to the declining-balance method from the original prices, by separate fiscal year of purchase</p> <p>(3) Merchandise inventories and supplies Merchandise inventory Lower of cost or market based on the last-in, first-out method</p> <p>Supplies The Latest purchase cost method</p>	<p>(1) Negotiable securities</p> <p>Common stock of subsidiaries and affiliated companies Same as at left</p> <p>Other negotiable securities Negotiable securities with a market on a securities exchange Same as at left</p> <p>Other negotiable securities Same as at left</p> <p>(2) Construction equipment Amount after deduction of depreciation expense calculated according to the declining-balance method from the original prices, by separate fiscal year of purchase</p> <p>(3) Merchandise inventories and supplies Merchandise inventory Same as at left</p> <p>Supplies Same as at left</p>	<p>(1) Negotiable securities</p> <p>Common stock of subsidiaries and affiliated companies Same as at left</p> <p>Other negotiable securities Negotiable securities with a market on a securities exchange The Company has adopted the market value method (the full amount of the valuation difference is charged to equity using the direct transfer to capital method, with the disposal cost determined by the moving average method) based on the market price on the accounting period closing date or similar prices</p> <p>Other negotiable securities Same as at left</p> <p>(2) Construction equipment Amount after deduction of depreciation expense calculated according to the declining-balance method from the original prices, by separate fiscal year of purchase</p> <p>(3) Merchandise inventories and supplies Merchandise inventory Same as at left</p> <p>Supplies Same as at left</p>

<p>2. Depreciation method for fixed assets</p>	<p>(1) Tangible fixed assets The Company has adopted the declining-balance method. Buildings on land that is leased under a fixed-term land lease agreement, however, are depreciated using the straight-line method using the remaining period of the fixed-term lease as the depreciable life and zero residual value. The depreciable lives mainly used by the Company are as follows. Rental assets: 5-10 years Buildings: 31-34 years</p> <p>(2) Intangible fixed assets Software for use within the Company is depreciated using the straight-line method based on the assumed useful life for internal use (5 years).</p> <p>(3) Long-term prepaid expenses The Company has adopted straight-line depreciation.</p>	<p>(1) Tangible fixed assets Same as at left</p> <p>(2) Intangible fixed assets Same as at left</p> <p>(3) Long-term prepaid expenses Same as at left</p>	<p>(1) Tangible fixed assets Same as at left</p> <p>(2) Intangible fixed assets Same as at left</p> <p>(3) Long-term prepaid expenses Same as at left</p>
<p>3. Accounting standards for allowances and reserves</p>	<p>(1) Allowance for doubtful accounts To provide for losses on doubtful accounts such as accounts receivable, the Company charges to income an amount based on actual loss experience for normal accounts, plus an amount for projected unrecoverable amounts based on assessments of individual accounts.</p> <p>(2) Accrued bonuses to employees To fully provide for expenditures of bonuses the Company will pay to employees, an amount is appropriated to the reserve during the interim period based upon a salary estimate amount.</p>	<p>(1) Allowance for doubtful accounts Same as at left</p> <p>(2) Accrued bonuses to employees Same as at left</p>	<p>(1) Allowance for doubtful accounts Same as at left</p> <p>(2) Accrued bonuses to employees To fully provide for expenditures of bonuses the Company will pay to employees, an amount is appropriated to the reserve during the fiscal year based upon a salary estimate amount.</p>

(3) Accrued employees retirement benefits
The Company provides for accrued employees' retirement benefits based upon the projected amounts of the liability for accrued employees retirement benefits and the value of pension assets at the end of the fiscal year. At the end of each interim period, the Company appropriates an amount to the reserve to provide for the liability recognized during the period. Past years' service liabilities are fully written off in the year incurred.
The difference based on an actuarial calculation is charged to income beginning in the fiscal year following the year in which incurred, with the amounts allocated proportionately using the straight-line method, based on a specified number of years (10 years) that is less than the average remaining period of employment for employees at the time the difference arises.

(3) Accrued employees retirement benefits
Same as at left

(3) Accrued employees retirement benefits
The Company provides for employees' accrued retirement benefits based upon the projected amounts of the liability for accrued employees' retirement benefits and the value of pension assets at the end of the fiscal year. At the end of each fiscal year, the Company appropriates an amount to the reserve to provide for the liability recognized during the period. Past years' service liabilities are fully written off in the year incurred.
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(Supplemental information)

On January 1, 2004 the Company received approval from the Minister of Health, Labour and Welfare for exemption from the obligation to make future payments for the entrusted portion of the Employee Welfare Pension Fund, accompanying enforcement of the Defined Benefit Corporate Pension Law.

The Company has adopted the interim measures prescribed in Paragraph 47-2 of the Business Guidelines Concerning Retirement Benefit Accounting (Interim Report) concerning return of the entrusted portion of the corporate Employee Welfare Pension Fund (The Japanese Institute of Certified Public Accountants, Accounting System Committee Report No. 13), and on the day authorization was received the Company accounted for the retirement benefit liability related to the entrusted portion and the pension assets equivalent to the return amount as being extinguished.

The Company accounted for the affects accompanying this treatment by booking extraordinary profits of ¥606,420 thousand as of the end of the interim accounting period.

The returned equivalent amount (minimum actuarial liability) measured as of the end of the interim accounting period under review was ¥1,316,579 thousand.

(Supplemental information)

On January 1, 2004 the Company received approval from the Minister of Health, Labour and Welfare for exemption from the obligation to make future payments for the entrusted portion of the Employee Welfare Pension Fund, accompanying enforcement of the Defined Benefit Corporate Pension Law.

The Company has adopted the interim measures prescribed in Paragraph 47-2 of the Business Guidelines Concerning Retirement Benefit Accounting (Interim Report) concerning return of the entrusted portion of the corporate Employee Welfare Pension Fund (The Japanese Institute of Certified Public Accountants, Accounting System Committee Report No. 13), and on the day authorization was received the Company accounted for the retirement benefit liability related to the entrusted portion and the pension assets equivalent to the return amount as being extinguished.

The Company accounted for the affects accompanying this treatment by booking extraordinary profits of ¥606,420 thousand as of the end of the accounting period.

The returned equivalent amount (minimum actuarial liability) measured as of the end of the prior accounting period was ¥1,296,434 thousand.

	<p>(4) Retirement allowances to directors and auditors The Company provides for retirement allowances to directors and auditors based upon pertinent rules and appropriated to the account at the end of the interim period proportionately based upon length of service.</p> <p>(5) Reserve for investment losses The Company provides for losses from the decline in real prices of assets such as the stock of subsidiary companies that are subject to asset impairment accounting by applying internally established standards that take into consideration subsidiary company operating results and asset quality.</p>	<p>(4) Retirement allowances to directors and auditors Same as at left</p> <p>(5) Reserve for investment losses Same as at left</p>	<p>(4) Retirement allowances to directors and auditors The Company provides for retirement allowances to directors and auditors based upon pertinent rules and appropriated to the account at the end of the fiscal year proportionately based upon length of service.</p> <p>(5) Reserve for investment losses Same as at left</p>
4. Lease transactions	For finance lease transactions except for leases that transfer ownership of the property to the lessee, rent expenses are charged to income as payments are made.	Same as at left	Same as at left
5. Hedge transactions	(1) Hedge transactions The Company accounts for hedge transactions using allocations based on accounting standards for foreign currency-denominated transactions, and special rule accounting based on accounting standards for financial products.	(1) Hedge transactions Same as at left	(1) Hedge transactions Same as at left

	<p>(2) Hedge methods and hedged transactions The Company uses currency swaps and forward transactions in order to avoid the currency fluctuation risk related to the Company's foreign currency-denominated straight bonds and liabilities for import payments. The Company also uses interest swaps to avoid interest rate fluctuation risk related to interest on bank borrowing.</p> <p>(3) Hedging policies The Company's use of derivative transactions is limited to hedging risk within the scope of the Company's assets and liabilities subject to market fluctuation risk.</p> <p>(4) Method for evaluating the effectiveness of hedges The Company does not evaluate the effectiveness of its hedge transactions because it can assume that its currency swap transactions and forward transactions will completely offset market fluctuations or changes in cash flow from the time hedge begins until it is terminated. In addition, the Company's interest swap transactions fulfill the requirements for special rule accounting, and the Company has elected to use this in place of an evaluation of effectiveness.</p>	<p>(2) Hedge methods and hedged transactions Same as at left</p> <p>(3) Hedging policies Same as at left</p> <p>(4) Method for evaluating the effectiveness of hedges Same as at left</p>	<p>(2) Hedge methods and hedged transactions Same as at left</p> <p>(3) Hedging policies Same as at left</p> <p>(4) Method for evaluating the effectiveness of hedges Same as at left</p>
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<p>6. Other significant matters for preparation of the interim period (fiscal year) financial statements</p>	<p>Accounting treatment of consumption tax</p> <p>Consumption tax is taken out of all Statement of Income items and Balance Sheet items, except mainly for receivables and payables.</p> <p>The suspense accounts for consumption tax receipts and consumption tax payable are included in "other current liabilities" because the financial importance is minimal after the amounts are offset.</p>	<p>Accounting treatment of consumption tax</p> <p>Same as at left</p>	<p>Accounting treatment of consumption tax</p> <p>Same as at left</p>
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Change in Reporting Method

<p>Prior Fiscal Year Interim Period (From November 1, 2003 to April 30, 2004)</p>	<p>Current Fiscal Year Interim Period (From November 1, 2004 to April 30, 2005)</p>
<p>-----</p>	<p>(Interim Balance Sheet)</p> <p>1. "Investment securities" were included in Investments and Other Assets until the prior fiscal year interim period, but have been disclosed separately at the end of the current fiscal year interim period because they exceeded 5% of total assets.</p> <p>The amount of "Investment securities" at the end of the prior fiscal year interim period was ¥3,743,612,000.</p> <p>2. Following promulgation of The Law to Revise Parts of the Securities and Exchange Law (Law No. 97 of 2004) on June 9, 2004 and its enforcement on December 1, 2004 and revision of the Practical Guidelines Concerning Accounting for Financial Instruments (The Japanese Institute of Certified Public Accountants, Accounting Committee Report No. 14) dated February 15, 2005, the Company changed its method for reporting limited partnerships for investment and investments in associations similar to such partnerships (instruments regarded as negotiable securities under the provisions of Article 2 paragraph 2 of the Securities and Exchange Law) to show them as "investment securities" beginning from the current fiscal year interim period.</p> <p>The amount of such investments included in "Investment securities" for the interim accounting period under review is ¥93,642,000, and the amount of such investments included in "Other" in Investments and other assets in the prior fiscal year interim period is ¥88,290,000.</p>

Notes (Notes to the Interim Period Balance Sheets)

Item \ Period	Prior Fiscal Year Interim Period (As of April 30, 2004)	Current Fiscal Year Interim Period (As of April 30, 2005)	Prior Fiscal Year (As of October 31, 2004)																														
*1. Notes and bills maturing at the end of the (interim period) fiscal year	-----	Notes and bills maturing on the last day of the interim period are settled and processed on the note and bill clearing date. Because the last day of the Company's current fiscal year interim accounting period was a financial institution holiday, notes and bills maturing on the final day of the following interim period are included in the fiscal year interim accounting period balance. Notes receivable, 42,930,000 trade Notes payable, 1,330,120,000 trade	Notes and bills maturing on the last day of the fiscal year are settled and processed on the note and bill clearing date. Because the last day of the Company's fiscal year was a financial institution holiday, notes and bills maturing on the final day of the following fiscal year are included in the fiscal year-end balance. Notes receivable, 766,154,000 trade Notes payable, 900,142,000 trade																														
*2. Total accumulated depreciation for tangible fixed assets	38,412,724,000	38,769,434,000	38,291,314,000																														
*3. Contingent liabilities Joint and several guarantee of employee bank loans Guarantees of borrowed indebtedness of subsidiary companies (Daiichi Kikai Co., Ltd., Assist Co., Ltd., Kanki Corporation) and affiliated company. (Active Power Co., Ltd.)	26,097,000	31,294,000	25,669,000																														
	<table border="1"> <thead> <tr> <th>Company</th> <th>Guaranteed Amount</th> </tr> </thead> <tbody> <tr> <td>Daiichi Kikai Co., Ltd</td> <td>250,000,000</td> </tr> <tr> <td>Active Power Co., Ltd.</td> <td>269,500,000</td> </tr> <tr> <td>Total</td> <td>519,500,000</td> </tr> </tbody> </table>	Company	Guaranteed Amount	Daiichi Kikai Co., Ltd	250,000,000	Active Power Co., Ltd.	269,500,000	Total	519,500,000	<table border="1"> <thead> <tr> <th>Company</th> <th>Guaranteed Amount</th> </tr> </thead> <tbody> <tr> <td>Daiichi Kikai Co., Ltd</td> <td>200,000,000</td> </tr> <tr> <td>Assist Co., Ltd.</td> <td>94,435,000</td> </tr> <tr> <td>Kanki Corporation</td> <td>1,207,500,000</td> </tr> <tr> <td>Total</td> <td>1,501,935,000</td> </tr> </tbody> </table>	Company	Guaranteed Amount	Daiichi Kikai Co., Ltd	200,000,000	Assist Co., Ltd.	94,435,000	Kanki Corporation	1,207,500,000	Total	1,501,935,000	<table border="1"> <thead> <tr> <th>Company</th> <th>Guaranteed Amount</th> </tr> </thead> <tbody> <tr> <td>Daiichi Kikai Co., Ltd</td> <td>210,000,000</td> </tr> <tr> <td>Assist Co., Ltd.</td> <td>223,183,000</td> </tr> <tr> <td>Kanki Corporation</td> <td>1,260,000,000</td> </tr> <tr> <td>Active Power Co., Ltd.</td> <td>269,500,000</td> </tr> <tr> <td>Total</td> <td>1,962,683,000</td> </tr> </tbody> </table>	Company	Guaranteed Amount	Daiichi Kikai Co., Ltd	210,000,000	Assist Co., Ltd.	223,183,000	Kanki Corporation	1,260,000,000	Active Power Co., Ltd.	269,500,000	Total	1,962,683,000
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Total	1,962,683,000																																
*4. Reduction to book value	Amounts for assets acquired in prior fiscal years for which accumulated book values were reduced by government subsidies Machinery and equipment 5,044,000 Land 3,569,000 Total 8,613,000	Amounts for assets acquired in prior fiscal years for which accumulated book values were reduced by government subsidies Machinery and equipment 5,044,000 Land 3,569,000 Total 8,613,000	Amounts for assets acquired in prior fiscal years for which accumulated book values were reduced by government subsidies Machinery and equipment 5,044,000 Land 3,569,000 Total 8,613,000																														

*5. Affiliated companies	-----	-----	<p>The Company had the following liabilities in addition to liabilities to affiliated companies separately classified elsewhere.</p> <p>Current liabilities</p> <p>Notes and accounts payable, trade ¥953,248,000</p>
6. Contingent liabilities	-----	<p>The Company liquidates bill receivables based on notes receivables transfer program.</p> <p>Notes receivable, trade ¥8,324,410,000</p> <p>The amount of notes receivable, trade with a right of recourse to the Company included in balance of notes receivable, trade is ¥1,337,614,000.</p>	-----

(Notes to the Interim Period Statements of Income)

Item	Period	Prior Fiscal Year Interim Period (As of April 30, 2004)	Current Fiscal Year Interim Period (As of April 30, 2005)	Prior Fiscal Year (As of October 31, 2004)
*1. Transactions with affiliates				
Secoded employees' salaries		-	50,482,000	75,636,000
Rent receipts		-	76,928,000	67,141,000
*2. Principal items included in non-operating revenues				
Interest received		1,634,000	4,212,000	7,275,000
Gain on sale of investment securities		34,466,000	17,807,000	47,261,000
Rents received		76,308,000	121,507,000	176,170,000
Insurance benefits		16,893,000	16,601,000	28,850,000
Cash bonus received		656,000	888,000	1,283,000
*3. Principal items included in non-operating expenses				
Interest expense		164,759,000	158,531,000	332,619,000
*4. Principal items included in extraordinary profits				
Gain on return of entrusted portion of welfare pension fund		606,420,000	-	606,420,000
*5. Principal items included in extraordinary loss				
Transfer to allowance for doubtful Accounts to affiliated companies		-	192,465,000	-
*6. Depreciation and amortization				
Tangible fixed assets		2,244,384,000	2,096,491,000	4,625,583,000
Intangible fixed assets		10,469,000	27,596,000	54,117,000

(Lease Transactions)

Item \ Period	Prior Fiscal Year Interim Period (From November 1, 2003 to April 30, 2004)	Current Fiscal Year Interim Period (From November 1, 2004 to April 30, 2005)	Prior Fiscal Year Summary Statement of Income (From November 1, 2003 to October 31, 2004)
1. For finance lease transactions except leases that transfer ownership of the property to the lessee	1. Amounts corresponding to lease property acquisition prices, accumulated depreciation and outstanding balance at the end of the interim period Please refer to Annex A	1. Amounts corresponding to lease property acquisition prices, accumulated depreciation and outstanding balance at the end of the interim period Please refer to Annex B	1. Amounts corresponding to lease property acquisition prices, accumulated depreciation and outstanding balance at the end of the fiscal year accounting period Please refer to Annex C
	2. Outstanding balance of future lease payments at the end of the interim period ¥'000	2. Outstanding balance of future lease payments at the end of the interim period ¥'000	Outstanding balance of future lease payments at the end of the fiscal year ¥'000
	Within one year 5,613,634	Within one year 5,367,170	Within one year 5,242,607
	After one year 16,855,922	After one year 15,941,251	After one year 15,577,358
	Total 22,469,557	Total 21,308,422	Total 20,819,966
3. Amount of lease payments, depreciation expense and interest expense ¥'000	3. Amount of lease payments, depreciation expense and interest expense ¥'000	3. Amount of lease payments, depreciation expense and interest expense ¥'000	
Lease payments 2,884,662	Lease payments 3,198,490	Lease payments 5,721,008	
Depreciation expense 2,744,006	Depreciation expense 2,923,044	Depreciation expense 5,369,497	
Interest expense 422,324	Interest expense 393,624	Interest expense 754,622	
4. Accounting method for amount equivalent to depreciation expense Straight-line depreciation using the lease term as the depreciable life and zero residual value.	4. Accounting method for amount equivalent to depreciation expense Same as at left	4. Accounting method for amount equivalent to depreciation expense Same as at left	
5. Accounting method for amount equivalent to interest expense Interest method using the difference between total lease payments and the acquisition price of the lease property, allocated equally to each year.	5. Accounting method for amount equivalent to interest expense Same as at left	5. Accounting method for amount equivalent to interest expense Same as at left	
2. Operating leases	Future lease payments ¥'000	Future lease payments ¥'000	Future lease payments ¥'000
	Within one year 1,601,250	Within one year 1,612,110	Within one year 1,813,177
	After one year 2,242,280	After one year 3,538,018	After one year 3,434,039
	Total 3,843,530	Total 5,150,129	Total 5,247,217

(Negotiable Securities)

The stock of the Company's subsidiary companies and affiliated companies does not have a market price.

Annex A

	Acquisition price	Accumulated depreciation	Outstanding balance
	¥ '000	¥ '000	¥ '000
Rental assets	31,713,019	8,697,337	23,015,682
Other assets	400,596	171,671	228,924
Total	32,113,615	8,869,008	23,244,606

Annex B

	Acquisition price	Accumulated depreciation	Outstanding balance
	¥ '000	¥ '000	¥ '000
Rental assets	33,216,539	11,773,455	21,443,084
Other assets	364,877	199,124	165,752
Total	33,581,417	11,972,580	21,608,837

Annex C

	Acquisition price	Accumulated depreciation	Outstanding balance
	¥ '000	¥ '000	¥ '000
Rental assets	31,262,997	10,026,592	21,236,404
Other assets	416,266	214,161	202,104
Total	31,679,264	10,240,754	21,438,509

(Per Share Information)

Item \ Period	Prior Fiscal Year Interim Period (From November 1, 2003 to April 30, 2004)	Current Fiscal Year Interim Period (From November 1, 2004 to April 30, 2005)	Prior Fiscal Year Summary Statement of Income (From November 1, 2003 to October 31, 2004)
Net assets per share	¥1,103.57	¥1,119.22	¥1,102.69
Interim period net income per share	¥33.29	¥20.16	¥39.50
Interim period net income per share on a fully diluted basis	-	-	-
		The Company has not reported net income per share of common stock after adjustment for potential ordinary shares because it does not have any potential shares that would have a dilution effect.	The Company has not reported net income per share of common stock after adjustment for potential ordinary shares because it does not have any potential shares that would have a dilution effect.

Note: The basis for calculating net income per share and net income per share on a fully diluted basis is provided below.

Item \ Period	Prior Fiscal Year Interim Period (From November 1, 2003 to April 30, 2004)	Current Fiscal Year Interim Period (From November 1, 2004 to April 30, 2005)	Prior Fiscal Year Summary Statement of Income (From November 1, 2003 to October 31, 2004)
Interim period (fiscal year) net income (¥ '000)	994,271	602,035	1,187,109
Amount not attributed to common stock shareholders (¥ '000)	-	-	7,300
Interim period (fiscal year) net income related to common stock (¥ '000)	994,271	602,035	1,179,809
Average number of outstanding shares during the period	29,868,128	29,857,851	29,865,301
Summary of latent stock not included in the calculation of interim period (fiscal year) earnings per share on a fully diluted basis because it does not have a dilution effect	New stock warrants (stock options) based on the provisions of Article 280-19 of the old Commercial Code	-----	New stock warrants (stock options) based on the provisions of Article 280-19 of the old Commercial Code