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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
Telephone: + 81-11-209-1631

Notification Concerning Revision of Projected Operating Results for the Business Period Ending October 2014

Kanamoto Company, Limited, Japan's leading construction equipment rental company, has made the following revisions to its projected consolidated and non-consolidated operating results for the fiscal year ending October 31, 2014 (November 1, 2013 - October 31, 2014) released on December 11, 2013, to reflect its latest operating results trend. Details are provided below.

1. Revised projection of consolidated operating results for the Business Period ending October 2014

Interim period (November 1, 2013 - April 30, 2014)

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

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Prior projection (A)	59,600	7,390	7,030	3,820	105.99
Revised projection (B)	64,212	10,072	9,860	5,651	156.80
Increase/decrease (B - A)	4,612	2,682	2,830	1,831	—
Percent change (%)	7.7%	36.3%	40.3%	47.9%	—
(Reference) Prior fiscal year interim period (Fiscal year ended October 31, 2013)	54,733	6,751	6,714	3,716	113.20

2. Revised projection of consolidated operating results for the Business Period ending October 2014

(November 1, 2013 - October 31, 2014)

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

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Prior projection (A)	117,500	12,530	12,090	6,050	167.87
Revised projection (B)	122,600	16,010	15,540	7,770	215.59
Increase/decrease (B - A)	5,100	3,480	3,450	1,720	—
Percent change (%)	4.3%	27.8%	28.5%	28.4%	—
(Reference) Prior fiscal year (Fiscal year ended October 31, 2013)	110,831	11,392	11,073	5,809	175.50

3. Revised projection of non-consolidated operating results for the Business Period ending October 2014

Interim period (November 1, 2013 - April 30, 2014)

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

	Net sales	Ordinary income	Net income	Net income per share
Prior projection (A)	42,700	5,040	3,010	90.93
Revised projection (B)	46,866	7,714	4,809	133.43
Increase/decrease (B-A)	4,166	2,674	1,799	—
Percent change (%)	9.8%	53.1%	59.8%	—
(Reference) Prior fiscal year interim period (Fiscal year ended October 31, 2013)	39,210	4,801	2,907	88.57

4. Revised projection of non-consolidated operating results for the Business Period ending October 2014

(November 1, 2013 - October 31, 2014)

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

	Net sales	Ordinary income	Net income	Net income per share
Prior projection (A)	86,200	9,840	5,090	153.77
Revised projection (B)	91,300	12,930	6,710	186.18
Increase/decrease (B-A)	5,100	3,090	1,620	—
Percent change (%)	5.9%	31.4%	31.8%	—
(Reference) Prior fiscal year (Fiscal year ended October 31, 2013)	81,360	8,861	4,916	148.53

5. Reasons for the revision of projected operating results

The Company has revised its consolidated operating results projection for the interim period because net sales for the Kanamoto Group are expected to exceed the Company's prior estimate released on December 11, 2013. In addition to the acceleration of works related to restoration in the disaster-stricken area, construction equipment rental equipment demand is being driven by factors such as an increase in public works as the result of economic policy measures. From an earnings perspective as well, operating income, ordinary income and net income have increased with the growth in net sales and as the result of company actions, including steps to restrain selling, general and administrative expenses, and are expected to substantially exceed Kanamoto's previously released estimates.

The Company also has revised its full-year earnings projection because future construction equipment rental demand is expected to remain strong generally against the backdrop of a nationwide public works and reconstruction effort and a sense of anticipation toward infrastructure maintenance in the Tokyo metropolitan area. On the other hand, however, the Company has examined the future market trend carefully because areas of concern, including uncompleted tenders because of a shortage of skill workers and delayed construction starts, have not been eliminated.

6. Dividends and expected date for release of Interim Financial Report

For the interim dividend, the Board of Directors plans to discuss implementing a dividend of ¥15 per share, consisting of the normal dividend of ¥10 per share and a commemorative dividend of ¥5 per share to celebrate the 50th anniversary of Kanamoto's establishment, as set out in the Company's initial plan.

The Company plans to announce its operating results for the interim period of the business period ending October 30, 2014 on June 6, 2014.

(Note) The Company's earnings forecasts were prepared based on information available to the Company as of the date this material was released.

Actual operating results may differ from the forecast figures as a result of various future factors.

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