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Stock Code 9678
Tokyo Stock Exchange Prime Market, Sapporo Stock Exchange
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Notification Concerning Revision of Projected Full-Year Operating Results for the Fiscal Year Ending October 31, 2022

Kanamoto Co., Ltd. has made the following revisions to its projected operating results for the fiscal year ending October 31, 2022 (November 1, 2021 - October 31, 2022) released on December 10, 2021, based on recent market trends and currently available information.

1. Revised projected figures for full-year consolidated operating results for the fiscal year ending October 31, 2022 (November 1, 2021 – October 31, 2022)

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

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings per Share
Prior projection (A)	191,100	15,600	15,800	9,700	259.65
Revised projection (B)	186,900	13,500	14,000	8,600	231.07
Increase/decrease (B-A)	-4,200	-2,100	-1,800	-1,100	—
Percent change (%)	-2.2%	-13.5%	-11.4%	-11.3%	—
(Reference) Prior fiscal year (Fiscal year ended October 31, 2021)	189,416	14,624	15,391	8,907	235.55

(Note) As the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the fiscal year ending October 31, 2022, the results for the prior fiscal year are presented using the results prior to the application of the accounting standard and relevant ASBJ regulations.

2. Revised projected figures for full-year non-consolidated operating results for the fiscal year ending October 31, 2022

(November 1, 2021 – October 31, 2022)

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

		Net Sales	Ordinary Profit	Profit	Earnings per Share
Prior projection	(A)	117,200	9,600	6,500	175.70
Revised projection	(B)	114,800	7,800	5,300	142.40
Increase/decrease	(B-A)	-2,400	-1,800	-1,200	—
Percent change	(%)	-2.0%	-18.8%	-18.5%	—
(Reference)	Prior fiscal year (Fiscal year ended October 31, 2021)	117,687	8,471	5,392	142.61

(Note) As the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the fiscal year ending October 31, 2022, the results for the prior fiscal year are presented using the results prior to the application of the accounting standard and relevant ASBJ regulations.

3. Reasons for the revision

In the construction industry related to the Kanamoto Group, the trend in public works spending is expected to remain steady and the trend in private sector construction investment is expected to show signs of recovery for the balance of the fiscal year ending October 31, 2022 amid the impact of global inflation for society as a whole as well as COVID-19. A full-scale recovery of construction equipment rental demand, however, is expected to take somewhat longer due to factors such as variations by region.

Furthermore, operating profit, ordinary profit, and profit attributable to owners of parent are projected to be lower than initially planned as well, reflecting the trend for rental demand in addition to the effect of the increase of investment into the human resources who will be responsible for future growth. In light of these factors, the Company decided to revise its projected full-year consolidated operating results.

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