

**kanamoto co., ltd.**

Semiannual Report **2007**

For the 6 months ended April 30,



## ミッション・ステートメント

四十余年にわたり培った“カナモト・スタイル”。  
さらなる可能性を求め、これからも。

カナモトの成長は、日本の建機レンタル業界の発展と軌を一にしてきました。品目、品質管理、供給チャネルのほか、時代に即して開発してきたカナモトの最先端のビジネスモデルは、お客様の経営合理化に寄与しています。全国のお客様からのご支持をベースに、カナモトはこれからもレンタルソリューションの可能性を拡張させてまいります。

本レポートに掲載されている貸借対照表・損益計算書は、現行の日本の会計制度に則り作成されたものです。

## Mission Statement

**Over forty years of continually challenging the potential of the construction equipment rental business.  
Always striving to achieve the highest level of service.**

Kanamoto's growth has been synonymous with the development of Japan's construction equipment rental business. Whether the concern is products, quality assurance, supply channels, or a state-of-the-art business model developed to meet changing times, helping customers rationalize their operations has always been our foremost goal.

With support from customer firms nationwide, Kanamoto will further expand the possibilities for construction equipment rental solutions in the years ahead.

*For purposes of this report, the Balance Sheets and Statements of Income were created using financial data prepared according to Japan's Securities Report guidelines.*

## 目次

## CONTENTS

### 財務ハイライト 3 Financial Highlights

#### 第43期中間事業報告書 4

#### 連結財務諸表 6

#### 個別財務諸表 8

#### 10 Report of Operating Results and Financial Position for the six month ended April 30, 2007

#### 13 Consolidated Financial Statements

#### 17 Non-Consolidated Financial Data Statements

### グラフで見る5年間 20 At a Glance

#### 22 Topics

#### 23 Corporate Data

### 将来見通しの記述について

このレポートに記載されている株式会社カナモトの計画、戦略などのうち、過去の事実以外のものは将来の業績に関する見通しの記述であり、現在入手可能な情報に基づく仮定となっております。

これら将来の見通しの記述は、既知のリスク、未知のリスクの不確かさ、その他の要因などを含み、株式会社カナモトの実際の経営成績・業績とは大きく異なる可能性があります。

### Forward-Looking Statements

Statements included as part of the Kanamoto Co., Ltd. plans and strategies described in this report, other than statements of actual past facts, are descriptions of the Company's outlook concerning future operating results and are assumptions based on information currently available.

These descriptions of the future outlook contain known risks and unidentified risks, as well as other uncertainty factors, and the actual management performance and operating results of Kanamoto Co., Ltd. may vary substantially from the descriptions provided herein.

## 当社グループ連結決算

### Financial Highlights (Consolidated)

		百万円 / Millions of Yen			千ドル Thousands of U.S. dollars
		April 30, 2006	October 31, 2006	April 30, 2007	April 30, 2007
売上高	Rental revenues and sales of goods	34,520	68,023	36,230	\$ 302,426
営業利益	Operating income	2,873	4,068	3,438	28,700
当期純利益	Net income	1,048	1,742	2,382	19,890
株主資本	Total shareholders' equity	35,262	35,540	37,622	314,048
総資産	Total assets	87,003	86,815	90,867	758,494

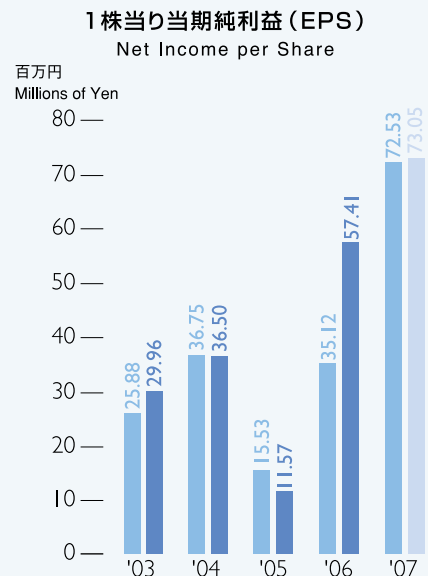
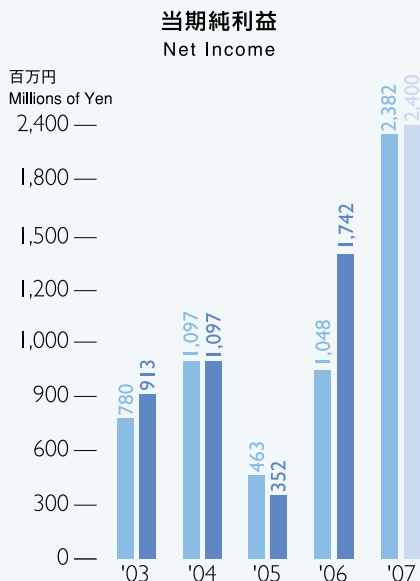
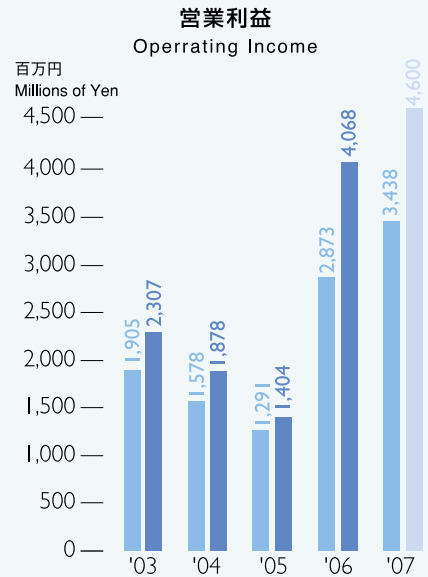
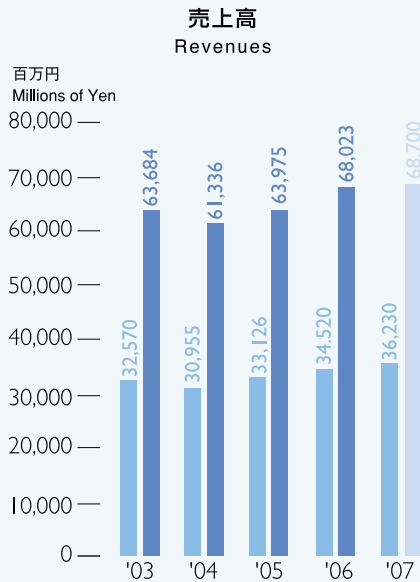
  

		円 / Yen			ドル / U.S. dollars
		April 30, 2006	October 31, 2006	April 30, 2007	April 30, 2007
1株当たり当期純利益	Net income per share of common stock	35.12	57.41	72.53	\$ 0.61
1株当たり配当	Cash dividends per share of common stock	9.00	18.00	9.00	—

\*表示されている米ドル金額は、2007年4月30日現在のおおよその実勢為替レート1ドル=119.80円により換算しています。

Note U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥119.80= US\$1, the approximate exchange rate on April 30, 2007

■ 中間期 / Interim period ■ 通期 / Full year ■ 通期予想 / Projected



## 第43期中間事業報告書

### 連結財務の状況

### 個別財務の状況

## 営業の状況

### 経営成績

#### ■当連結会計期間の概況

当中間期の日本経済は、全般的にみると中盤からの円安基調で、輸出関連産業を中心に好調に推移しました。景気回復は大企業、大都市、特定富裕層を中心に進行し、雇用環境を示す失業率も4年ぶりに4%を割るなど、広く景気回復効果が表れ始めています。しかしながら一方では財政の厳しい地方、個人には景気回復が実感できない格差景気が依然として続いている状況といえます。

当社グループの収入は、財政が逼迫している地方では厳しい経営環境にありましたものの、民需の掘り起こしと数少ない公共事業をとりこぼさないよう鋭意努力した結果、主力事業の建機レンタルで大都市・地方を問わず収益が拡大するなど、それぞれの地域で堅調に推移しました。同事業による販売についても当初計画を上回る収入を確保しました。

#### ■建設関連事業

当社グループ全体の建設関連事業における中間連結業績につきましては、売上高が336億68百万円(対前年同期比7.8%増)、営業利益は33億46百万円(同22.0%増)と増収増益となりました。

#### 〈当社単体の状況〉

公共事業が毎年減少を続け、その不足分を補完する民需も見込めない地方においては、各地で非常に厳しい経営環境が続きました。数少ない需要を取り込むため、営業攻勢を一層強めるとともに、これまで後手に回っていた建築系の現場や、イベント関連などにも積極的に営業を展開するなど、新市場の開拓に努めました。

単体の地域別建機レンタル売上の状況は、北海道地区は営業の強化と民需掘り起こしが奏功して対前年同期比5.2%増、東北地区は前年度に引き続き好調さを堅持して同5.8%増でした。関東信越地区は新潟・長野両県の災害復旧特需が終了したことから同1.9%減となりました。近畿中部地区は名古屋地区での旺盛な民間需要がありましたものの、兵庫県の需要減が足を引っ張る形となり同3.4%増で前半を折り返しました。「北海道」対「本州その他」の地域の比率は32.3%：67.7%でした。

この結果、当社の当該事業部門単体のレンタル売上は対前年同期比3.0%増の220億73百万円、同じく販売売上は同29.2%増の78億13百万円、合計では対前年同期比で8.7%増の298億86百万円となりました。

当期の拠点新設閉鎖は、新設は千葉新港営業所(千葉市美浜区)と東通営業所(青森県下北郡東通村)の2拠点、閉鎖は小千谷営業所(新潟県小千谷市)の1拠点でした。

また、下期に入ってからですが、6月5日に中国地方初となる広島営業所(広島市安佐南区)を開設し、当社の営業拠点数は149拠点となっています。

なお、本年2月に当社グループ初の海外進出となる上海金利源設備租賃有限公司(関係会社)の設立による出資を行いました。現在同社は建設資材の輸出入業務を行っており、将来的には建機レンタル事業も展開する予定です。

#### 〈連結子会社の状況〉

第一機械産業(株)は大型の災害復旧需要は一服しましたが、民需官需の確保とともに広く営業面での深耕に努めた結果、売上高は前年同期比8.2%増、営業利益は前年同期比57.7%増となりました。

(株)エスアールジー・カナモトはマンション建築工事向け足場が、前年度に引き続き好調に推移しており、売上高は対前年同期比25.1%増、営業利益は16,513千円の改善を見せ、中間期業績としては初めて黒字化しました。

(株)アシストは、事業譲渡した計測器レンタルの収益が剥落したため当初計画よりも売上高は若干下回り、対前年同期比1.6%減、営業利益も同14.3%減となりました。

経営再建中の(株)カンキは、兵庫県の建機レンタル需要の減少と単価下落の影響から、売上高は対前年同期比8.0%減となりました。なお利益についても、大幅増強したレンタル用資産のコスト負担、営業拠点の新設移転のコスト負担から、営業損失を計上いたしました。

(株)カナテックは、材料高騰に伴う製品の価格是正を行ったほか、新型ユニットハウスのリリースが奏功し、売上高は対前年同期比21.7%増となり、営業利益は前年同期比15,453千円増となり、黒字に転じました。

#### 当該事業年度の連結経営成績の結果

	当該中間期		前中間期	
売上高	36,230	(5.0)	34,520	(4.2)
営業利益	3,438	(19.7)	2,873	(122.5)
経常利益	3,422	(22.2)	2,801	(136.3)
中間純利益	2,382	(127.3)	1,048	(126.1)

単位:百万円 括弧内は対前年同期比増減(%)

■鉄鋼関連事業

これまで堅調に推移してきた札幌市内のマンション等の民間建築の需要と、通信事業向け鉄塔需要が、ともに一段落したほか、在庫過剰感から価格転嫁も進まず、売上高は対前年同期比で23.3%減の23億45百万円、営業利益は13百万円の損失を計上しました。

■情報関連事業

情報機器事業部門は、パソコンのレンタル料金が底這いの状態が続いているものの需要は堅調に推移しており、対前年同期比では5.5%増となりました。一方、商品販売は中古機売却の端境期となったため同47.9%減、部門全体では売上高は対前年同期比で1.3%減の2億16百万円、営業利益は同2.4%減の21百万円でありました。

経営方針

■目標とする経営指標

当社グループの主力事業であるレンタル事業は、設備投資負担が非常に大きく、かつ、数年に渡る期間損益を考慮しなければならない事業形態であることから、従前からROI(投下資本回収率)による資産効率を踏まえつつ、全体としてはEBITDA+(減価償却前営業利益)を重要な指標のひとつに据えております。現在進行中の長期経営計画(2003年11月~2008年10月)の数値目標は、計画期間中の建設需要動向に不透明さがあつたこともあり、過去数回にわたり当初計画と比較すると上方修正を行っております。当期の業績についても5月28日付で修正を発表しておりますが、2008年10月期通期目標については、回復が遅れている地方の建設需要も勘案して今回は修正を加えていません。連結業績にも影響するEBITDA+の維持拡大を念頭に、グループ全体での収益力向上に努めてまいります。

「メタモルフォーゼ」数値目標

		2007年10月期	2008年10月期
連結業績	売上高	68,700	70,980
	経常利益	4,700	4,560
	EPS	73.05円	67.87円
単体業績(当社)	売上高	62,000	63,670
	経常利益	4,700	4,500
	EBITDA+	19,117	19,960

単位:百万円 EPSは1株当たり当期純利益(単位:円)

■中長期的な会社の経営戦略

長期経営計画「メタモルフォーゼ」は4期間を経過しましたが、利益構造の再構築、財務体質の改善策が漸次具現化してきており、その効果から当初の業績計画を三度に渡り上方修正をしておりますが、引き続き利益重視の経営を実践して一層の業績拡大とマーケットに評価される「強いカナモト」を目指します。

(1)利益重視のレンタル用資産構成の継続

最新型公害対策機への入替で短期化していた運用期間の適正化を継続するほか、収益率の高い機種を優先的に増強するなど、利益率向上に努めます。

(2)大胆なスクラップ&ビルドの実施

新設出店は首都圏及び大都市圏周辺を優先、地方は現状維持を基本とします。当社グループ未出店地区については、あらゆる情報、機会をとらえ積極的に進出を検討していく方針であります。また、業績の伸長可能性、採算性をよく吟味して拠点閉鎖・統合を続けます。また、M&Aなどの手法にも積極的に取り組み、成長エンジンとしてまいります。

(3)顧客第一の強い営業体制の構築とアライアンス

新カナモト総合補償制度、地方自治体との災害発生時の緊急要請対応契約締結など、企業規模を最大限に生かしたサービスの提供と、ユーザーニーズに直結した商品の提供により、顧客信頼度が高くかつ地域社会に根ざした企業を目指します。

また、北海道から沖縄まで網羅する当社グループ企業並びにアライアンス(提携)企業との企業連携を強化してシナジー効果を高めてまいります。

通期の見通し

日本経済は好業績の大手企業を中心に回復基調にあり、雇用環境も改善するなど過去最長の好景気を持続しております。しかし、未だ原油の高騰や米国景気の先行き不透明感などの国際情勢に左右される状況が続いており、また、足元を見れば財政破綻の危機を内包する地方自治体、社会的弱者拡大の問題など、国内の経済格差の二極化は依然と解消されておられません。

当社の主力事業に係る建設需要は、企業業績回復を背景にした設備投資の持続から、首都圏や中京地区、関西地区などの大都市圏で需要が拡大していますが、公共事業に頼らざるを得ない地方においては、一部地方都市における再開発事業、マンション建設などの民間建設需要が期待できるものの公共事業の落ち込みをカバーするに至らず、依然、厳しさが続くものと予想されます。加えて、7月の参院選の影響から工事着工の遅れなども想定されます。

よって、通期の予想については、地方の建設需要動向に大きな改善はないとの見方から、経営環境は極めて厳しい状況と考えております。当社グループといたしましては、各社の連携強化を図り、積極的営業を展開するなど、これまでの増収増益基調を維持すべく努めてまいります。なお、6月に広島営業所を開設しましたが、引き続き首都圏、名古屋、大阪で拠点増設を目論みます。

通期(2007年10月期)連結業績予想

	前期実績	通期業績予想
売上高	68,023	68,700
営業利益	4,068	4,600
経常利益	3,788	4,700
当期純利益	1,742	2,400

単位:百万円 括弧内は対前年同期比増減(%)  
※ご参考:1株当たり予想当期純利益(通期)73.05円

通期(2007年10月期)個別業績予想

	前期実績	通期業績予想
売上高	60,753	62,000
営業利益	3,715	4,300
経常利益	3,739	4,700
当期純利益	1,720	3,000

単位:百万円 括弧内は対前年同期比増減(%)  
※ご参考:1株当たり予想当期純利益(通期)91.31円

連結財務諸表

連結貸借対照表

	第42中間 (2006.4.30)		第42期末 (2006.10.31)		第43中間 (2007.4.30)	
	金額	構成比(%)	金額	構成比(%)	金額	構成比(%)
(単位：百万円)						
<b>資産の部</b>						
<b>流動資産</b>	<b>36,467</b>	<b>41.9</b>	<b>35,732</b>	<b>41.2</b>	<b>37,420</b>	<b>41.2</b>
現金及び預金	21,065		18,398		22,465	
受取手形及び売掛金	13,242		14,959		13,012	
たな卸資産	641		560		685	
建設機材	1,312		1,193		1,132	
繰延税金資産	316		391		356	
その他	494		752		290	
貸倒引当金	△ 605		△ 523		△ 523	
<b>固定資産</b>	<b>50,535</b>	<b>58.1</b>	<b>51,083</b>	<b>58.8</b>	<b>53,447</b>	<b>58.8</b>
有形固定資産	42,382	48.7	43,123	49.7	43,931	48.4
レンタル用資産	9,260		9,358		9,811	
建物及び構築物	6,291		6,631		6,728	
機械装置及び運搬具	740		720		784	
土地	25,791		25,906		26,264	
建設仮勘定	24		246		87	
その他	273		259		255	
無形固定資産	610	0.7	536	0.6	489	0.5
投資その他の資産	7,542	8.7	7,423	8.5	9,026	9.9
投資有価証券	6,601		6,224		7,753	
その他	1,778		1,874		2,008	
貸倒引当金	△ 837		△ 674		△ 735	
<b>資産合計</b>	<b>87,003</b>	<b>100.0</b>	<b>86,815</b>	<b>100.0</b>	<b>90,867</b>	<b>100.0</b>

	第42中間 (2006.4.30)		第42期末 (2006.10.31)		第43中間 (2007.4.30)	
	金額	構成比(%)	金額	構成比(%)	金額	構成比(%)
(単位：百万円)						
<b>負債の部</b>						
<b>流動負債</b>	<b>30,083</b>	<b>34.6</b>	<b>28,571</b>	<b>32.9</b>	<b>29,435</b>	<b>32.4</b>
支払手形及び買掛金	13,441		12,419		13,224	
短期借入金	558		497		390	
1年以内返済予定の長期借入金	10,570		10,077		9,772	
未払法人税等	1,158		1,365		1,828	
賞与引当金	566		511		537	
役員賞与引当金	2		5		-	
未払金	2,617		2,676		2,968	
その他	1,167		1,017		713	
<b>固定負債</b>	<b>21,546</b>	<b>24.8</b>	<b>20,192</b>	<b>23.3</b>	<b>21,032</b>	<b>23.1</b>
長期借入金	17,545		16,031		16,204	
退職給付引当金	1,592		1,681		1,763	
役員退職慰労引当金	138		129		127	
長期未払金	1,871		2,107		2,485	
繰延税金負債	364		221		440	
その他	33		21		10	
<b>負債合計</b>	<b>51,629</b>	<b>59.4</b>	<b>48,763</b>	<b>56.2</b>	<b>50,467</b>	<b>55.5</b>
<b>少数株主持分</b>						
少数株主持分	111	0.1	-	-	-	-
<b>資本の部</b>						
資本金	8,596	9.9	-	-	-	-
資本剰余金	9,720	11.2	-	-	-	-
利益剰余金	14,464	16.6	-	-	-	-
その他有価証券評価差額金	2,672	3.0	-	-	-	-
自己株式	△ 191	△ 0.2	-	-	-	-
<b>資本合計</b>	<b>35,262</b>	<b>40.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>負債・少数株主持分及び資本合計</b>	<b>87,003</b>	<b>100.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(純資産の部)</b>						
株主資本	-	-	35,540	40.9	37,622	41.4
資本金	-	-	9,696	11.2	9,696	10.7
資本剰余金	-	-	10,960	12.6	10,960	12.0
利益剰余金	-	-	14,889	17.2	16,976	18.7
自己株式	-	-	△ 6	△ 0.1	△ 11	△ 0.0
評価・換算差額等	-	-	2,418	2.8	2,649	2.9
その他有価証券評価差額金	-	-	2,418		2,649	
少数株主持分	-	-	92	0.1	127	0.2
<b>純資産合計</b>	<b>-</b>	<b>-</b>	<b>38,051</b>	<b>43.8</b>	<b>40,400</b>	<b>44.5</b>
<b>負債純資産合計</b>	<b>-</b>	<b>-</b>	<b>86,815</b>	<b>100.0</b>	<b>90,867</b>	<b>100.0</b>

## 連結損益計算書

	第42期中間 (2005.11.1~2006.4.30)		第42期期末 (2005.11.1~2006.10.31)		第43期中間 (2006.11.1~2007.4.30)	
	金額	構成比(%)	金額	構成比(%)	金額	構成比(%)
(単位:百万円)						
売上高	34,520	100.0	68,023	100.0	36,230	100.0
レンタル売上高	24,004		46,058		24,776	
商品売上高	10,516		21,965		11,454	
売上原価	24,591	71.2	49,745	73.1	25,284	69.8
レンタル売上原価	16,446		32,697		16,708	
商品売上原価	8,144		17,048		8,575	
売上総利益	9,928	28.8	18,278	26.9	10,946	30.2
販売費及び一般管理費	7,055	20.5	14,210	20.9	7,507	20.7
営業利益	2,873	8.3	4,068	6.0	3,438	9.5
営業外収益	172	0.5	315	0.5	239	0.7
受取利息	0		2		11	
受取配当金	10		40		14	
その他	162		272		213	
営業外費用	244	0.7	595	0.9	255	0.7
支払利息	168		357		194	
株式交付費	-		14		-	
その他	76		222		61	
経常利益	2,801	8.1	3,788	5.6	3,422	9.5
特別利益	16	0.1	394	0.6	948	2.6
特別損失	638	1.9	729	1.1	75	0.2
税金等調整前中間(当期)純利益	2,179	6.3	3,453	5.1	4,295	11.9
法人税、住民税及び事業税	1,121	3.3	1,767	2.6	1,778	4.9
法人税等調整額	△ 31	△ 0.1	△ 77	△ 0.1	98	0.3
少数株主利益	40	0.1	21	0.0	35	0.1
中間(当期)純利益	1,048	3.0	1,742	2.6	2,382	6.6

## 連結キャッシュ・フロー計算書

	第42期中間 (2005.11.1~2006.4.30)		第42期期末 (2005.11.1~2006.10.31)		第43期中間 (2006.11.1~2007.4.30)	
	金額	金額	金額	金額	金額	金額
(単位:百万円)						
営業活動によるキャッシュ・フロー	9,183	8,414	6,774			
投資活動によるキャッシュ・フロー	501	△ 489	△ 1,105			
財務活動によるキャッシュ・フロー	△ 2,731	△ 3,635	△ 1,601			
現金及び現金同等物の増加額	6,953	4,289	4,067			
現金及び現金同等物の期首残高	14,108	14,108	18,398			
現金及び現金同等物の中間期末残高	21,062	18,398	22,465			

## 連結株主資本等変動計算書 (2006.11.1~2007.4.30)

(単位:百万円)	株主資本					評価・換算差額等		少数株主持分	純資産合計
	資本金	資本剰余金	利益剰余金	自己株式	株主資本合計	その他有価証券 評価差額金	評価・換算 差額等合計		
2006年10月31日残高	9,696	10,960	14,889	△6	35,540	2,418	2,418	92	38,051
中間連結会計期間中の変動額									
剰余金の配当			△295		△295				△295
当期純利益			2,382		2,382				2,382
自己株式の取得				△5	△5				△5
株主資本以外の項目の中間連結 会計期間中の変動額(純額)						230	230	35	266
中間連結会計期間中の変動額合計	-	-	2,087	△5	2,082	230	230	35	2,348
2007年4月30日残高	9,696	10,960	16,976	△11	37,622	2,649	2,649	127	40,400

個別財務諸表

個別貸借対照表

	第42中間 (2006.4.30)		第42期末 (2006.10.31)		第43中間 (2007.4.30)	
	金額	構成比(%)	金額	構成比(%)	金額	構成比(%)
(単位：百万円)						
<b>資産の部</b>						
<b>流動資産</b>	33,474	40.2	32,984	39.5	<b>34,478</b>	<b>39.4</b>
現金及び預金	20,185		17,461		<b>21,759</b>	
受取手形	2,339		2,876		<b>2,190</b>	
売掛金	9,328		10,734		<b>9,140</b>	
たな卸資産	343		320		<b>383</b>	
その他	1,811		2,047		<b>1,457</b>	
貸倒引当金	△ 534		△ 456		△ <b>453</b>	
<b>固定資産</b>	49,884	59.8	50,530	60.5	<b>52,928</b>	<b>60.6</b>
有形固定資産	41,464		42,308		<b>43,150</b>	
レンタル用資産	8,891		9,087		<b>9,562</b>	
建物	5,200		5,462		<b>5,527</b>	
土地	25,520		25,634		<b>25,992</b>	
その他	1,852		2,124		<b>2,068</b>	
無形固定資産	165		147		<b>159</b>	
投資その他の資産	8,253		8,074		<b>9,618</b>	
投資有価証券	6,487		6,115		<b>6,390</b>	
その他	2,773		2,910		<b>4,225</b>	
貸倒引当金	△ 526		△ 385		△ <b>433</b>	
投資損失引当金	△ 480		△ 565		△ <b>565</b>	
<b>資産合計</b>	<b>83,358</b>	<b>100.0</b>	<b>83,514</b>	<b>100.0</b>	<b>87,406</b>	<b>100.0</b>

	第42中間 (2006.4.30)		第42期末 (2006.10.31)		第43中間 (2007.4.30)	
	金額	構成比(%)	金額	構成比(%)	金額	構成比(%)
(単位：百万円)						
<b>負債の部</b>						
流動負債	27,663	33.2	26,234	31.4	<b>27,084</b>	<b>31.0</b>
支払手形	9,573		8,246		<b>9,672</b>	
買掛金	2,314		2,522		<b>1,752</b>	
短期借入金	10,415		9,935		<b>9,608</b>	
未払金	2,495		2,562		<b>2,838</b>	
未払法人税等	1,068		1,291		<b>1,705</b>	
賞与引当金	489		437		<b>481</b>	
役員賞与引当金	2		5		-	
設備関係支払手形	265		340		<b>443</b>	
その他	1,038		892		<b>582</b>	
固定負債	20,089	24.1	18,903	22.6	<b>19,695</b>	<b>22.5</b>
長期借入金	16,555		15,120		<b>15,335</b>	
長期未払金	1,744		2,030		<b>2,359</b>	
繰延税金負債	118		-		<b>168</b>	
退職給付引当金	1,567		1,663		<b>1,747</b>	
役員退職慰労引当金	103		90		<b>84</b>	
<b>負債合計</b>	<b>47,752</b>	<b>57.3</b>	<b>45,138</b>	<b>54.0</b>	<b>46,779</b>	<b>53.5</b>
<b>資本の部</b>						
資本金	8,596	10.3	-	-	-	-
資本剰余金	9,720	11.6	-	-	-	-
資本準備金	9,720		-	-	-	-
利益剰余金	14,814	17.8	-	-	-	-
利益準備金	1,375		-	-	-	-
任意積立金	11,851		-	-	-	-
中間(当期)未処分利益	1,587		-	-	-	-
<b>その他有価証券評価差額金</b>	<b>2,666</b>	<b>3.2</b>	-	-	-	-
自己株式	△ 191	△ 0.2	-	-	-	-
<b>資本合計</b>	<b>35,605</b>	<b>42.7</b>	-	-	-	-
<b>負債資本合計</b>	<b>83,358</b>	<b>100.0</b>	-	-	-	-
<b>純資産の部</b>						
株主資本	-	-	35,962	43.1	<b>37,981</b>	<b>43.5</b>
資本金	-	-	9,696	11.6	<b>9,696</b>	<b>11.1</b>
資本剰余金	-	-	10,960	13.1	<b>10,960</b>	<b>12.6</b>
資本準備金	-	-	10,817		<b>10,817</b>	
<b>その他資本剰余金</b>	-	-	<b>143</b>		<b>143</b>	
利益剰余金	-	-	15,310	18.4	<b>17,335</b>	<b>19.8</b>
利益準備金	-	-	1,375		<b>1,375</b>	
<b>その他利益剰余金</b>	-	-	<b>13,935</b>		<b>15,960</b>	
自己株式	-	-	△ 6	△ 0.0	△ <b>11</b>	△ <b>0.0</b>
評価・換算差額等	-	-	2,414	2.9	<b>2,644</b>	<b>3.0</b>
<b>その他有価証券評価差額金</b>	-	-	<b>2,414</b>		<b>2,644</b>	
<b>純資産合計</b>	-	-	<b>38,376</b>	<b>46.0</b>	<b>40,626</b>	<b>46.5</b>
<b>負債純資産合計</b>	-	-	<b>83,514</b>	<b>100.0</b>	<b>87,406</b>	<b>100.0</b>



## 個別損益計算書

	第42中間 (2005.11.1~2006.4.30)		第42期末 (2005.11.1~2006.10.31)		第43中間 (2006.11.1~2007.4.30)	
	金額	構成比(%)	金額	構成比(%)	金額	構成比(%)
(単位:百万円)						
売上高	30,764	100.0	60,753	100.0	32,449	100.0
売上原価	22,230	72.3	44,904	73.9	22,940	70.7
売上総利益	8,533	27.7	15,849	26.1	9,508	29.3
販売費及び一般管理費	6,037	19.6	12,133	20.0	6,438	19.8
営業利益	2,496	8.1	3,715	6.1	3,070	9.5
営業外収益	296	1.0	561	0.9	361	1.1
営業外費用	223	0.7	537	0.9	235	0.7
経常利益	2,569	8.4	3,739	6.1	3,195	9.9
特別利益	4	0.0	360	0.6	946	2.9
特別損失	621	2.0	809	1.3	68	0.2
税引前中間(当期)純利益	1,951	6.4	3,289	5.4	4,074	12.6
法人税、住民税及び事業税	1,032	3.4	1,684	2.7	1,655	5.1
法人税等調整額	△35	△0.1	△114	△0.1	98	0.3
中間(当期)純利益	955	3.1	1,720	2.8	2,320	7.2
前期繰越利益	632		-		-	
当期末処分利益	1,587		-		-	

## 株主資本等変動計算書 (2006.11.1~2007.4.30)

(単位:百万円)	株 主 資 本										評価・換算差額等		純資産 合計	
	資本金	資 本 剰 余 金			利 益 剰 余 金					自己株式	株主資本 合計	その他 有価証券 評価差額金		評価・換算 差額等合計
		資本準備金	その他 資本剰余金	資本剰余金 合計	利益準備金	固定資産 圧縮積立金	別途積立金	繰越利益 剰余金	利益剰余金 合計					
2006年10月31日残高	9,696	10,817	143	10,960	1,375	19	11,831	2,084	15,310	△6	35,962	2,414	2,414	38,376
中間会計期間中の変動額														
別途積立金の積立				—			1,100	△1,100	—		—		—	—
剰余金の配当				—				△295	△295		△295		—	△295
中間純利益				—				2,320	2,320		2,320		—	2,320
自己株式の取得				—					—	△5	△5		—	△5
株主資本以外の項目の中間会計 期間中の変動額(純額)												230	230	230
中間会計期間中の変動額合計	—	—	—	—	—	—	1,100	924	2,024	△5	2,019	230	230	2,250
2007年4月30日残高	9,696	10,817	143	10,960	1,375	19	12,931	3,008	17,335	△11	37,981	2,644	2,644	40,626

November 1, 2006 - April 30, 2007

Report of Operating Results and Financial Position  
for the six months ended April 30, 2007

Consolidated Financial Position

Non-consolidated Financial Position

Preparation of Financial Statements and Depreciation and Amortization Expense

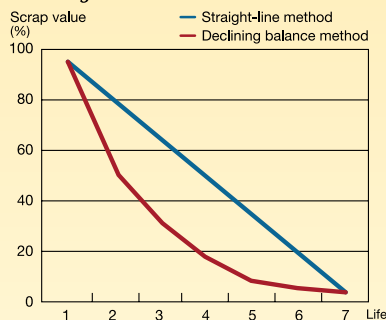
1. For purposes of this report, the Balance Sheets and Statements of Income were created using financial data prepared according to Japan's Securities Report Guidelines.

Kanamoto's financial statements are audited by Shin Nihon & Co. and Kanamoto's Audit Committee. English-language versions of the Company's financial statements, which include changes to the reporting categories, are reports prepared internally by Kanamoto and are not audited by the Company's auditors or its Audit Committee.

2. Kanamoto uses a variety of techniques when introducing rental assets. In addition to purchasing assets by installments, the Company also uses finance leases (including operating leases), which are an off-balance sheet item (details are provided in the notes to the accounting statements).

Kanamoto has adopted the declining balance method for depreciation and amortization expense. As shown below, this results in a situation where paper gains are easily produced if assets can be used over long periods of time because the depreciation and amortization expense is large for the first year, then grows smaller in later years. The difference in depreciation according to the declining balance method and the straight-line method is shown in the diagram.

Comparison of straight-line method and declining balance method



Under Japan's current accounting system, large variances between actual asset values and book values can occur in asset value assessments. One reason is the fact durable lives are stipulated by the Tax Code. For assets handled by Kanamoto in particular, implementing planned rental asset introductions suitable to the size of its business and keeping balance sheet depreciation and amortization expense uniform are extremely difficult because the durable lives established by law are different for each equipment model.

Accordingly, to achieve results more closely approximating the market-value accounting concept, Kanamoto also introduces assets by utilizing both operating leases and finance leases in an effort to equalize depreciation and amortization expense.

Operating Results

Summary of fiscal year interim period operating results

Viewed comprehensively, during the fiscal year interim period under review Japan's economy exhibited a weakening of the yen from the middle of the period, and steady positive growth centered on export-related industries. The economic recovery progressed mainly among Japan's major corporations and the largest metropolitan areas and the bracket of especially wealthy consumers, and the effects of the economic recovery began to appear widely as the unemployment rate, which highlights the employment environment, also fell below 4% after an interval of four years. Nevertheless, the economic upswing could be described as one in which the benefits of the recovery remain lopsided, under which local regions strapped by severe fiscal circumstances, as well as many individuals, cannot sense any real improvement.

Despite the harsh business environment in local regions faced with stringent fiscal conditions as stated above, the revenues of the Kanamoto Group grew at a steady pace in each region. This included higher revenues in both large metropolitan areas and local regions for the Construction Equipment Rental Division, Kanamoto's main business, as the result of efforts to cultivate private sector demand and fight tenaciously to not lose any of the few public works projects being initiated. Revenues from equipment sales by this division also exceeded Kanamoto's initial plan.

Business related to the Construction Equipment Rental Division

In the construction-related businesses of the entire Kanamoto Group, both revenues and earnings were higher. For the consolidated fiscal year interim period under review, consolidated revenues increased 7.8% from the prior consolidated fiscal year to ¥33,668 million, and operating income rose 22.0% year-on-year to ¥3,346 million.

< Kanamoto Co., Ltd. on a non-consolidated basis >

As the level of public works shrinks with each passing year, an extremely harsh business environment has continued in regions where private sector demand cannot be anticipated to supplement the shortfall. To capture the scarce available demand, Kanamoto sought to exploit new markets, by aggressively developing business in markets such as architecture-related and event-related sites, for example, where until now the Company had been slow to seek customers, while further strengthening its sales offensive. Construction equipment rental revenues on a non-consolidated basis by region rose 5.2% year-on-year in the Hokkaido Region, where Kanamoto was successful in strengthening its marketing and in uncovering private sector demand, and were up 5.8% from the same period of the prior fiscal year in the Tohoku Region, where the Company continued its excellent momentum from the prior fiscal year. In the Kanto & Shinetsu Region, where special procurement for disaster recovery work in both Niigata and Nagano Prefecture came to an end, revenues edged down 1.9% year-on-year. Following an early surge, revenues in the Kinki & Chubu Region eased to 3.4% growth for the period, despite vigorous private sector demand in the Nagoya area, as sales softened because of a slowdown in demand in Hyogo Prefecture. The percentage of revenues accounted for by Hokkaido and by Honshu and other regions was 32.3% and 67.7%, respectively.

As a result of these factors, for Kanamoto's Construction Equipment Rental Division on a stand-alone basis, rental revenues increased 3.0% year-on-year to ¥22,073 million, revenues from sales rose 29.2% year-on-year to ¥7,813 million and total revenues increased 8.7% from the same period of the prior consolidated fiscal year to

¥29,886 million.

During the consolidated fiscal year interim period under review, Kanamoto opened two new branches at the Chiba Shinminato Branch (Chiba City, Mihama Ward) and in Higashidori (Higashidori, Shimokita-gun, Aomori Prefecture) and closed the Ojiya Branch (Ojiya City, Niigata Prefecture). As a result, at the end of the interim period Kanamoto had 148 branches.

#### < Consolidated subsidiaries >

Daiichi Kikai Co., Ltd. experienced a slowdown in large-scale disaster recovery demand, but as a result of securing both private sector demand and government demand and efforts to cultivate customers from a broadened marketing perspective, revenues were up 8.2% from the same period of the prior consolidated fiscal year, and operating income increased 57.7% year-on-year.

SRG Kanamoto Co., Ltd. continued to achieve steady growth in rentals of temporary scaffolding for condominium construction. Revenues expanded 25.1% increase from the same period of the prior consolidated fiscal year, and operating income showed a ¥16.513 million improvement, producing the company's first positive earnings as an interim period operating result.

At Assist Co., Ltd., revenues were slightly lower than the initial plan because revenues and earnings for the measurement equipment rental business transferred by the company were eliminated. As a result, revenues were 1.6% lower than in the same period of the prior consolidated fiscal year, and operating income also decreased 14.3% year-on-year.

At Kanki Corporation, which is restructuring its management, revenues were 8.0% less than in the same period of the prior consolidated fiscal year because a decrease in construction equipment rental demand in Hyogo Prefecture and the influence of unit price reductions. Earnings also were affected by the increased

cost burden for the company's greatly expanded selection of rental equipment assets and the cost to move its business office to a new location, and the company posted an operating loss.

Kanatech Co., Ltd., successfully revised its product pricing in conjunction with the sudden rise in cost of materials, and released new modular housing units. As a result, revenues increased 21.7% year-on-year, and operating income rose ¥15.453 million compared with the same period of the prior consolidated fiscal year, restoring this company to profitability.

#### Business related to the Steel Sales Division

Demand fell for both private sector construction such as condominiums in Sapporo, which had demonstrated strong steady growth until the interim period under review, and for steel towers for the telecommunications industry. Price adjustments because of excess inventory concerns also were less effective than anticipated. As a result, revenues decreased 23.3% from the same period of the prior consolidated fiscal year to ¥2,345 million, and the division posted a small operating loss of ¥13 million.

#### Business related to the Information Products Division and Other Businesses

Low rental fee conditions for personal computers prevailed, but rental demand for personal computers grew at a steady pace, and revenues for the Information Products Division increased 5.5% compared with the same period of the prior consolidated fiscal year. On the other hand, revenues from sales of used devices fell 47.9% year-on-year as the business entered its off season. Revenues for the entire division dipped 1.3% year-on-year to ¥216 million, and operating income decreased 2.4% from the same period of the prior consolidated fiscal year to ¥21 million.

#### Fiscal Year ending October 31, 2006 Interim Consolidated Operating Results

(Million yen; % change from prior year)

	Revenues		Operating Income		Ordinary Income		Net Income	
Consolidated FY interim period	36,230	5.0	3,438	19.7	3,422	22.2	2,382	127.3
Prior FY interim period	34,520	4.2	2,873	122.5	2,801	136.3	1,048	126.1

#### Management Policies

##### Management indicators established as objectives

The Kanamoto Group's core operations in the construction equipment rental business require a substantial capital investment burden. Moreover, the structure of this business requires a profit and loss outlook extending over several years. Given these considerations, the Kanamoto group has always positioned growth in EBITDA<sup>+</sup> (earnings before interest, taxes, depreciation and amortization) as its most important management indicator, while also taking into consideration ROI (return on investment).

With regard to the numerical targets set in the long-term management plan Kanamoto currently is implementing (November 2003 - October 2008), there remains uncertainty concerning the trend in construction demand during the plan period, and on several occasions in the past the Company has revised its targets compared with initial plan. On May 28, 2007, the Company released the latest revisions to its full-year operating results outlook for the current consolidated fiscal year. After taking into

consideration construction demand in regions where economic recovery has been slow, at this time the Company has not made any additional changes to the numerical targets for the fiscal year ending in October 2008. The Company will work to improve the profitability of the entire Kanamoto group, focusing on maintaining and expanding EBITDA<sup>+</sup>, which has a direct influence on Kanamoto's consolidated operating results.

##### Medium to long-term corporate management strategy

The Company has now completed the fourth period of its long-range management plan "Metamorphose" (November 2003 - October 2008). During this four-year period, the Company has gradually realized the results of measures it has promoted, centered on reorganization of its earnings profile and improvement of its financial position, and as a result has three times revised its initial operating results projections upwards. By continuing to practice earnings-focused management and further expanding operating

(Millions of yen, except net income per share)

		Fiscal Year ending October 2007	Fiscal Year ending October 2009
Consolidated operating results	Revenues	68,700	70,980
	Ordinary income	4,700	4,560
	Net income per share (yen)	73.05	67.87
Non-consolidated operating results (Kanamoto Company)	Revenues	62,000	63,670
	Ordinary income	4,700	4,500
	EBITDA <sup>+</sup>	19,117	19,960

EBITDA<sup>+</sup> = Operating income + Depreciation expense + Other depreciation and amortization expense + Low price rental assets, and others

EBITDA<sup>+</sup> is an indicator used only for the construction equipment rental business and excludes steel products and information products

results, the Company seeks to build a "strong Kanamoto" that will be evaluated positively by the market.

(1) Maintain an earnings-focused rental equipment asset portfolio  
In addition to replacing its large rental assets with the latest emissions-controlled models, and extending rental periods for such assets, the Company will seek to improve profit margins by also strengthening its emphasis on equipment boasting high returns.

(2) Execute a bold scrap and build program  
The Company has adopted a fundamental approach of giving priority to establishing new branches in the Tokyo metropolitan area and regions surrounding other large metropolitan areas, while maintaining its existing branch network in other regions. In areas where the Kanamoto group has not yet opened branches, the Company's policy is to investigate moving aggressively into a region after analyzing all pertinent information and available opportunities. The Company also will carefully scrutinize the possibilities for expanding operating results and improving the profitability of each branch, and continue to close and integrate branches. The Company also will actively utilize techniques such as M&A as engines of growth.

(3) Build a powerful marketing organization and alliance group where customers are always Number One  
Kanamoto seeks to be a firm that enjoys a high level of customer trust and is firmly rooted in its local communities. The Company pursues this objective by offering services that take maximum advantage of its corporate scale, such as Kanamoto's comprehensive compensation system and agreements with local governments to respond to urgent requests following a disaster, and offering products that are linked directly to customers' needs. In addition, the Kanamoto group forms a network reaching from Hokkaido to Okinawa, and the Company will continue to strengthen cooperation among all Kanamoto group firms, and increase the synergistic effects from this approach.

#### Outlook for the fiscal year

Japan's economy is following a recovery trend that is being driven by the strong operating results of leading companies, and is maintaining the longest growth period on record, supported by factors such as an improved employment environment. Conditions still remain subject to international circumstances, however, including the sharp rise in crude oil prices and the uncertain outlook for the business climate in the U.S. A close look at the underpinning of the current expansion reveals the polarization of domestic economic disparity, such as the problems of local administrative authorities faced with a fiscal bankruptcy crisis or the burgeoning number of socially vulnerable families, has not been resolved.

Construction demand, which is intimately related to Kanamoto's main business of construction equipment rentals, is expanding in the Tokyo metropolitan area and in major metropolitan centers in areas such as the Chukyo Region and the Kansai Region because of ongoing capital investment against the backdrop of the recovery in corporate operating performance. In regions that must rely heavily on public works, however, private sector construction demand for redevelopment projects or condominium construction can be expected in certain local cities, but this remains inadequate to offset the sharp cutbacks in public works, and economic severity is still projected to continue. Other factors, such as delays in construction project starts under the influence of the House of Councilors election in July, can also be assumed.

Accordingly, although Kanamoto revised its full-year projection on May 28, management believes the business environment will remain extremely difficult because, in its view, there will not be any major improvements in local construction demand trends. The Kanamoto group will strive to maintain its current revenue and earnings growth trends, through efforts such as strengthening the cooperation among each group company and proactive sale development. In June 2007, Kanamoto established its Hiroshima Branch (Asaminami-ku, Hiroshima), the Company's first foothold in the Chugoku Region, and plans to continue adding branches in the Tokyo metropolitan area, Nagoya and Osaka.

#### Fiscal year ending October 2007 Revision of projected operating results (Consolidated) (November 1, 2006 - October 31, 2007)

(Millions of yen)	Revenues	Operating Income	Ordinary Income	Net Income
Full-year projected results	68,700	4,600	4,700	2,400
Prior fiscal year results (fiscal year ended October 2006)	68,023	4,068	3,788	1,742

#### Fiscal year ending October 2007 Revision of projected operating results (Non-Consolidated) (November 1, 2006 - October 31, 2007)

(Millions of yen)	Revenues	Operating Income	Ordinary Income	Net Income
Full-year projected results	62,000	4,300	4,700	3,000
Prior fiscal year results (fiscal year ended October 2006)	60,753	3,715	3,739	1,720

## Interim Consolidated Balance Sheets

## ASSETS

	Millions of yen			Thousands of U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Current assets:</b>				
Cash and cash equivalents	¥ 21,062	¥ 18,398	¥ 22,466	\$ 187,527
Notes and accounts receivable, trade	13,243	14,959	13,013	108,621
Inventories	641	560	685	5,720
Deferred income taxes	317	392	357	2,976
Other current assets	1,810	1,946	1,423	11,879
Less : Allowance for doubtful accounts	(605)	(523)	(523)	(4,367)
<b>Total current assets</b>	<b>36,468</b>	<b>35,732</b>	<b>37,421</b>	<b>312,356</b>
<b>Property and equipment:</b>				
Rental equipment	37,169	37,784	37,038	309,166
Buildings and structures	15,965	16,562	16,517	137,873
Machinery and equipment	5,393	5,450	5,468	45,640
Less: Accumulated depreciation	(41,960)	(42,825)	(41,443)	(345,933)
	16,567	16,971	17,580	146,746
Land	25,792	25,906	26,264	219,233
Construction in progress	24	247	87	727
<b>Total property and equipment</b>	<b>42,383</b>	<b>43,124</b>	<b>43,931</b>	<b>366,706</b>
<b>Investments and other assets:</b>				
Investment securities	6,601	6,224	7,754	64,721
Other assets	2,389	2,411	2,498	20,851
Less : Allowance for doubtful accounts	(837)	(675)	(736)	(6,140)
<b>Total investments and other assets</b>	<b>8,153</b>	<b>7,960</b>	<b>9,516</b>	<b>79,432</b>
<b>Total assets</b>	<b>¥ 87,004</b>	<b>¥ 86,816</b>	<b>¥ 90,868</b>	<b>\$ 758,494</b>

Note U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥119.80= US\$1, the approximate exchange rate on April 30, 2007

## Interim Consolidated Balance Sheets

## LIABILITIES AND SHAREHOLDERS' EQUITY

	Millions of yen			Thousands of U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Current liabilities :</b>				
Short-term bank loans	¥ 559	¥ 498	¥ 390	\$ 3,255
Current portion of long-term debt	10,570	11,574	9,773	81,576
Notes and accounts payable, trade	13,441	12,419	13,225	110,391
Accrued income taxes	1,158	1,365	1,828	15,262
Accrued bonuses	567	512	537	4,486
Other current liabilities	3,788	2,203	3,682	30,734
<b>Total current liabilities</b>	<b>30,083</b>	<b>28,571</b>	<b>29,435</b>	<b>245,704</b>
<b>Non-current liabilities:</b>				
Long-term debt	17,545	17,618	16,205	135,266
Accrued pension and severance costs	1,592	1,682	1,764	14,720
Other liabilities	2,409	893	3,064	25,575
<b>Total non-current liabilities</b>	<b>21,546</b>	<b>20,193</b>	<b>21,033</b>	<b>175,561</b>
<b>Shareholders' equity:</b>				
Common stock :	8,597	9,697	9,697	80,941
Capital surplus	9,720	10,960	10,961	91,493
Retained earnings	14,464	14,890	16,977	141,710
Treasury stock	(191)	(6)	(11)	(95)
Unrealized holding gain on securities	2,673	2,419	2,648	22,115
Minority interests	112	92	128	1,065
<b>Total shareholders' equity</b>	<b>35,375</b>	<b>38,052</b>	<b>40,400</b>	<b>337,229</b>
<b>Total liabilities and shareholders' equity</b>	<b>¥ 87,004</b>	<b>¥ 86,816</b>	<b>¥ 90,868</b>	<b>\$ 758,494</b>

## Interim Consolidated Statements of Income

	Millions of yen			Thousands of U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Revenue</b>				
Rentals	¥ 24,004	¥ 46,059	¥ 24,777	\$ 206,816
Sales	10,516	21,965	11,454	95,610
	34,520	68,024	36,231	302,426
<b>Cost of revenue</b>				
Rentals	16,447	32,697	16,709	139,472
Sales	8,145	17,048	8,576	71,585
	24,592	49,745	25,285	211,057
<b>Gross profit</b>	9,928	18,279	10,946	91,369
<b>Selling, general and administrative expenses</b>	7,055	14,210	7,508	62,668
<b>Operating income</b>	2,873	4,069	3,438	28,701
<b>Other income (expenses):</b>				
Interest and dividend income	10	43	26	216
Gains on sale of fixed assets	—	—	921	7,685
Interest expenses	(168)	(358)	(194)	(1,621)
Impairment loss on fixed assets	(595)	(595)	(1)	(7)
Others, net	59	295	105	879
<b>Income before income taxes and minority interests</b>	2,179	3,454	4,295	35,853
<b>Income taxes</b>				
Current	1,122	1,768	1,779	14,846
Deferred	(32)	(78)	98	820
	1,090	1,690	1,877	15,666
<b>Minority interests in subsidiaries</b>	41	21	35	296
<b>Net income</b>	¥ 1,048	¥ 1,743	¥ 2,383	\$ 19,891

	Yen			U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Per share of common stock :</b>				
Net income				
Basic	¥ 35.12	¥ 57.41	¥ 72.53	\$ 0.61
Diluted	—	—	—	—

## Consolidated Statements of Cash Flows

	Millions of yen			Thousands of U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
Net cash provided by operating activities	¥ 9,184	¥ 8,414	¥ 6,775	\$ 56,551
Net cash provided (used) in investing activities	501	(489)	(1,105)	(9,228)
Net cash used in financing activities	(2,732)	(3,636)	(1,602)	(13,371)
Net increase in cash and cash equivalents	6,953	4,289	4,068	33,952
Cash and cash equivalents at beginning of the period	14,109	14,109	18,398	153,575
Cash and cash equivalents at end of the period	¥ 21,062	¥ 18,398	¥ 22,466	\$ 187,527

Note U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥119.80= US\$1, the approximate exchange rate on April 30, 2007

Segment information

For the six months ended April 30, 2007	Millions of yen					
	Construction related business	Steel related business	Information and communication related and other business	Total	Eliminations and corporate items	Consolidated
Sales						
Outside customers	¥ 33,669	¥ 2,345	¥ 217	<b>¥ 36,231</b>	¥ –	¥ 36,231
Intersegment	–	–	–	–	–	–
<b>Total</b>	33,669	2,345	217	<b>36,231</b>	–	36,231
Operating expenses	30,322	2,359	196	<b>32,877</b>	(84)	32,793
Operating profit	¥ 3,347	(¥ 14)	¥ 21	<b>¥ 3,354</b>	¥ 84	¥ 3,438

For the six months ended April 30, 2007	Thousands of U.S. dollars					
	Construction related business	Steel related business	Information and communication related and other business	Total	Eliminations and corporate items	Consolidated
Sales						
Outside customers	\$281,039	\$19,576	\$1,811	<b>\$302,426</b>	\$ –	\$302,426
Intersegment	–	–	–	–	–	–
<b>Total</b>	281,039	19,576	1,811	<b>302,426</b>	–	302,426
Operating expenses	253,105	19,690	1,632	<b>274,427</b>	(702)	273,725
Operating profit	\$27,934	(\$114)	\$179	<b>\$27,999</b>	\$ 702	\$28,701



Interim Non-Consolidated Balance Sheets

ASSETS

	Millions of yen			Thousands of U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Current assets :</b>				
Cash and time deposits	¥ 20,186	¥ 17,461	<b>¥ 21,760</b>	<b>\$ 181,634</b>
Notes receivable, trade	2,339	2,877	<b>2,190</b>	<b>18,283</b>
Accounts receivable, trade	9,329	10,734	<b>9,140</b>	<b>76,299</b>
Inventories	344	259	<b>383</b>	<b>3,199</b>
Other current assets	1,811	2,109	<b>1,458</b>	<b>12,168</b>
Less : Allowance for doubtful accounts	(534)	(456)	<b>(453)</b>	<b>(3,785)</b>
<b>Total current assets</b>	<b>33,475</b>	<b>32,984</b>	<b>34,478</b>	<b>287,798</b>
<b>Property and equipment :</b>				
Rental equipment	34,977	35,734	<b>35,827</b>	<b>299,056</b>
Buildings	11,322	11,763	<b>11,978</b>	<b>99,979</b>
Structures	3,842	3,988	<b>4,107</b>	<b>34,282</b>
Machinery and equipment	5,161	5,210	<b>5,336</b>	<b>44,543</b>
Less : Accumulated depreciation	(39,381)	(40,267)	<b>(40,174)</b>	<b>(335,342)</b>
	15,921	16,428	<b>17,074</b>	<b>142,518</b>
Land	25,520	25,634	<b>25,992</b>	<b>216,964</b>
Construction in progress	24	247	<b>85</b>	<b>707</b>
<b>Total property and equipment</b>	<b>41,465</b>	<b>42,309</b>	<b>43,151</b>	<b>360,189</b>
<b>Investments and other assets :</b>				
Investments and other assets	9,425	9,173	<b>10,776</b>	<b>89,950</b>
Less : Allowance for doubtful accounts and reserve for investments	(1,006)	(951)	<b>(998)</b>	<b>(8,333)</b>
<b>Total investments and other assets</b>	<b>8,419</b>	<b>8,222</b>	<b>9,778</b>	<b>81,617</b>
<b>Total assets</b>	<b>¥ 83,359</b>	<b>¥ 83,515</b>	<b>¥ 87,407</b>	<b>\$ 729,604</b>

Note U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥119.80= US\$1, the approximate exchange rate on April 30, 2007

Interim Non-Consolidated Balance Sheets

LIABILITIES AND SHAREHOLDERS' EQUITY

	Millions of yen			Thousands of U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Current liabilities :</b>				
Current portion of long-term bank loans	¥ 10,415	¥ 9,935	<b>¥ 9,608</b>	<b>\$80,200</b>
Notes payable, trade	9,574	8,247	<b>9,673</b>	<b>80,738</b>
Accounts payable, trade	2,314	2,522	<b>1,753</b>	<b>14,633</b>
Notes payable, other	265	340	<b>443</b>	<b>3,698</b>
Accounts payable, other	2,496	2,563	<b>2,839</b>	<b>23,695</b>
Accrued income taxes	1,069	1,292	<b>1,705</b>	<b>14,235</b>
Accrued bonuses	489	438	<b>481</b>	<b>4,017</b>
Other current liabilities	1,042	898	<b>583</b>	<b>4,866</b>
<b>Total current liabilities</b>	<b>27,664</b>	<b>26,235</b>	<b>27,085</b>	<b>226,082</b>
<b>Non-current liabilities :</b>				
Long-term bank loans	16,555	15,120	<b>15,335</b>	<b>128,005</b>
Long-term accounts payable, other	1,745	2,030	<b>2,360</b>	<b>19,699</b>
Accrued pension and severance costs	1,567	1,664	<b>1,748</b>	<b>14,590</b>
Deferred tax liabilities	119	–	<b>168</b>	<b>1,406</b>
Other liabilities	103	90	<b>84</b>	<b>702</b>
<b>Total non-current liabilities</b>	<b>20,089</b>	<b>18,904</b>	<b>19,695</b>	<b>164,402</b>
<b>Shareholders' equity :</b>				
Common stock :	8,597	9,697	<b>9,697</b>	<b>80,941</b>
Capital surplus	9,720	10,960	<b>10,960</b>	<b>91,493</b>
Retained earnings	14,814	15,311	<b>17,336</b>	<b>144,703</b>
Treasury stock	(191)	(6)	<b>(11)</b>	<b>(95)</b>
Unrealized holding gain on securities	2,666	2,414	<b>2,645</b>	<b>22,078</b>
<b>Total shareholders' equity</b>	<b>35,606</b>	<b>38,376</b>	<b>40,627</b>	<b>339,120</b>
<b>Total liabilities and shareholders' equity</b>	<b>¥ 83,359</b>	<b>¥ 83,515</b>	<b>¥ 87,407</b>	<b>\$729,604</b>

## Interim Non-consolidated Statements of Income

	Millions of yen			Thousands of U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Revenue</b>				
Rentals	¥ 21,632	¥ 41,813	¥ 22,276	\$185,944
Sales	9,132	18,941	10,173	84,917
	30,764	60,754	32,449	270,861
<b>Cost of revenue</b>				
Rentals	15,268	30,483	15,418	128,700
Sales	6,963	14,422	7,523	62,794
	22,231	44,905	22,941	191,494
<b>Gross profit</b>	8,533	15,849	9,508	79,367
<b>Selling, general and administrative expenses</b>	6,037	12,133	6,438	53,741
<b>Operating income</b>	2,496	3,716	3,070	25,626
<b>Other income (expenses) :</b>				
Interest and dividend income	14	48	29	242
Interest expenses	(152)	(327)	(178)	(1,483)
Gains on sale of fixed assets	—	—	921	7,686
Impairment loss on fixed assets	(595)	(595)	(1)	(7)
Others, net	189	448	233	1,944
<b>Income before income taxes</b>	1,952	3,290	4,074	34,008
<b>Income taxes</b>				
Current	1,033	1,684	1,656	13,819
Deferred	(36)	(114)	98	820
	997	1,570	1,754	14,639
<b>Net income</b>	¥ 955	¥ 1,720	¥ 2,320	\$19,369

	Yen			U.S. dollars (Note)
	April 30,2006(Unaudited)	October 31,2006	April 30,2007(Unaudited)	April 30,2007(Unaudited)
<b>Per share of common stock :</b>				
Net income				
Basic	¥31.99	¥ 56.67	¥ 70.62	\$ 0.59
Diluted	—	—	—	—

Note U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥119.80= US\$1, the approximate exchange rate on April 30, 2007

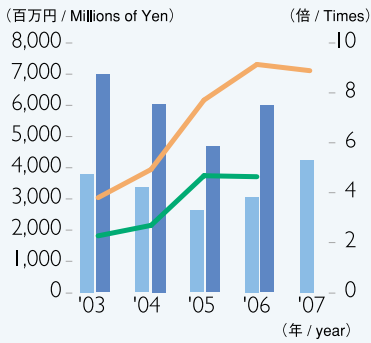
## グラフで見る5年間（連結） At a Glance (Consolidated)

■ = 中間 / Interim period ■ = 通期 / Full year

### キャッシュフロー Cash Flow

### 株価キャッシュフロー倍率 PCFR

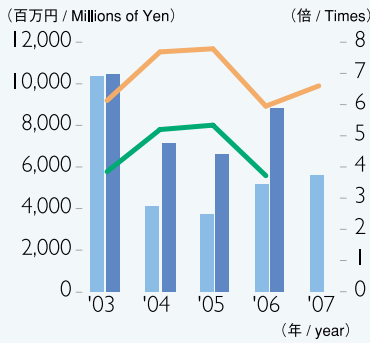
CF=当期純利益+減価償却費-(配当+役員賞与)  
PCFR=株式時価総額÷CF=株価÷1株当たりCF  
CF = Net income + Depreciation expense - (Cash dividends + Bonuses to directors and auditors)  
PCFR = Total market capitalization ÷ CF = Stock Price ÷ Cash flow per share of common stock



### 減価償却前営業利益 EBITDA

### EBITDA倍率 EBITDA Ratio

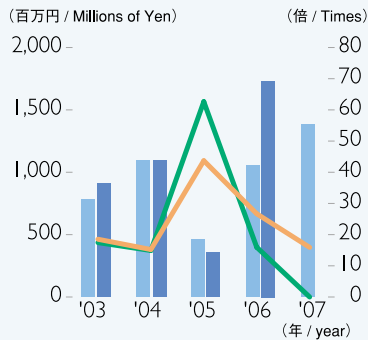
EBITDA=営業利益+減価償却費  
EBITDA倍率=(期末株式時価総額+有利子負債一期末非営業資産時価)÷EBITDA  
EBITDA=Operating income + depreciation and amortization expense  
EBITDA ratio = (Total market capitalization at end of business period + interest-bearing debt - market value of non-trade assets at end of business period) ÷ EBITDA



### 当期純利益 Net Income

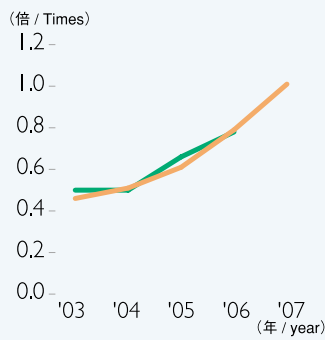
### 株価収益率 PER

PER=期末株式時価総額÷当期純利益  
PER = Total market capitalization at end of period ÷ Net Income



### 株価純資産倍率 PBR

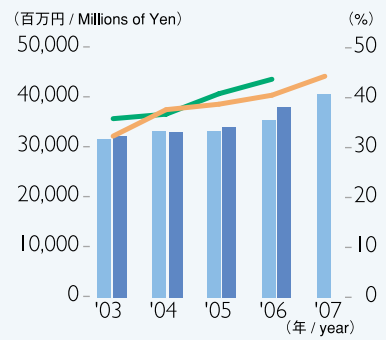
PBR=ROE×PER  
PBR = ROE × PER



### 自己資本 Shareholders' Equity

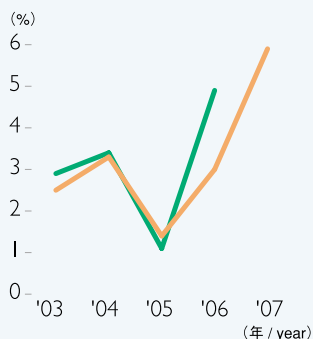
### 自己資本比率 Shareholders' Equity Ratio

自己資本比率=自己資本÷総資産  
Shareholders' Equity Ratio = Shareholders' equity ÷ Total assets



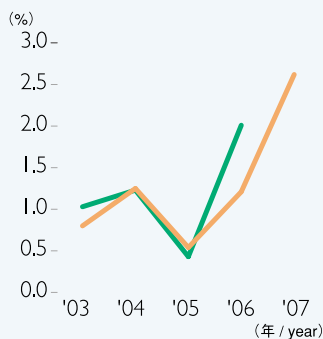
### 株主資本利益率 ROE

ROE = 当期純利益 ÷ 株主資本  
= 1株当たり当期純利益 (EPS) ÷ 1株当たり純資産 (BPS)  
ROE = Net income ÷ Shareholders' equity = EPS ÷ BPS



### 総資産利益率 ROA

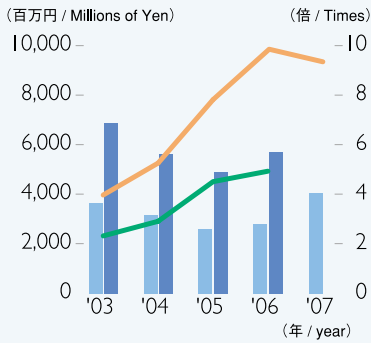
ROA = 当期純利益 ÷ 総資産  
ROA = Net income ÷ Total assets



■ = 中間 / Interim period ■ = 通期 / Full year

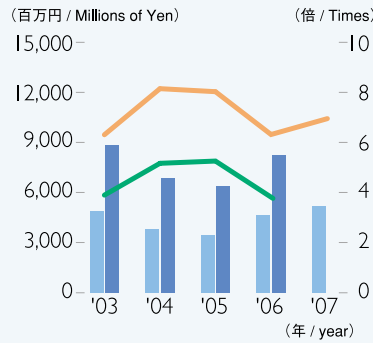
**キャッシュフロー**  
Cash Flow  
**株価キャッシュフロー倍率**  
PCFR

CF=当期純利益+減価償却費-(配当+役員賞与)  
PCFR=株式時価総額÷CF=株価÷1株当たりCF  
CF = Net income + Depreciation expense - (Cash dividends + Bonuses to directors and auditors)  
PCFR = Total market capitalization ÷ CF = Stock Price ÷ Cash flow per share of common stock



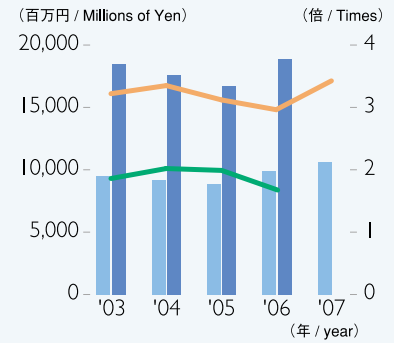
**減価償却前営業利益**  
EBITDA  
**EBITDA倍率**  
EBITDA Ratio

EBITDA=営業利益+減価償却費  
EBITDA倍率=(期末株式時価総額+有利子負債-期末非営業資産時価)÷EBITDA  
EBITDA = Operating income + depreciation and amortization expense  
EBITDA ratio = (Total market capitalization at end of business period + interest-bearing debt - market value of non-trade assets at end of business period) ÷ EBITDA



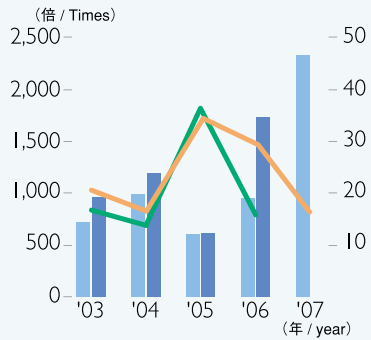
**EBITDA+**  
EBITDA+  
**EBITDA+倍率**  
EBITDA+ Ratio

EBITDA+=EBITDA+設備投資同等物  
EBITDA+倍率=(期末株式時価総額+有利子負債-期末非営業資産時価)÷EBITDA+  
EBITDA+ = Operating income + Depreciation expense + Other depreciation and amortization expense+ Low-price rental assets, and others  
EBITDA+ is an indicator used only for the construction equipment rental business and excludes steel products and information products



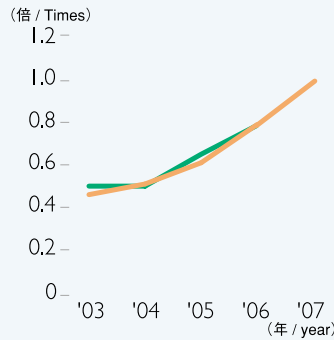
**当期純利益**  
Net Income  
**株価収益率**  
PER

PER=期末株式時価総額÷当期純利益  
PER = Total market capitalization at end of period ÷ Net Income



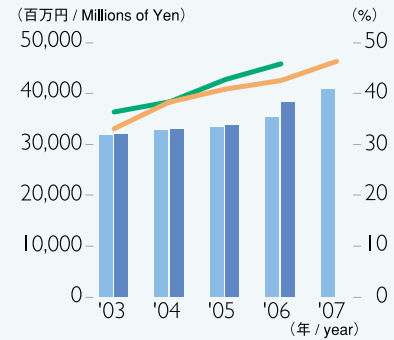
**株価純資産倍率**  
PBR

PBR=ROE×PER  
PBR = ROE × PER



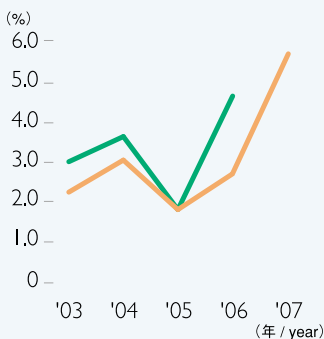
**自己資本**  
Shareholders' Equity  
**自己資本比率**  
Shareholders' Equity Ratio

自己資本比率=自己資本÷総資産  
Shareholders' Equity Ratio = Shareholders' equity ÷ Total assets



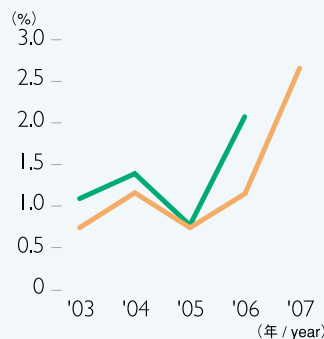
**株主資本利益率**  
ROE

ROE = 当期純利益 ÷ 株主資本  
= 一株当たり当期純利益 (EPS) ÷ 一株当たり純資産 (BPS)  
ROE = Net income ÷ Shareholders' equity = EPS ÷ BPS



**総資産利益率**  
ROA

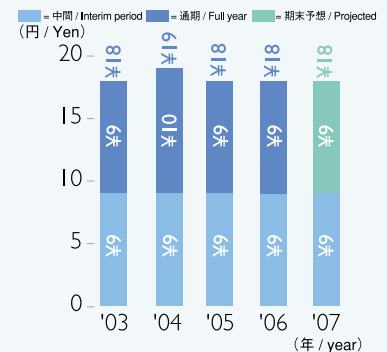
ROA=当期純利益÷総資産  
ROA = Net income ÷ Total assets



**1株当たり配当**  
Dividend per

Share of Common Stock

\*2004年10月の期末配当の10円のうち1円は設立40周年記念配当です。  
The 2004 cash dividend of ¥19 included a one-time commemorative dividend of ¥1 to celebrate the 40th anniversary of the Company's founding.



## トピックス Topics



上海金和源設立にあたり、上海市庁を表敬訪問  
Kanamoto courtesy call at Shanghai City Hall  
when establishing Shanghai Jinheyuan  
Equipment Rental Co., Ltd.



6月に開設した広島営業所  
The Hiroshima Branch was  
established in June



全国各地で開催している個人投資家向け会社説明会  
Presentations to introduce Kanamoto to private  
investors have been held throughout Japan

### 中国に合併会社を設立。事業の早期確立を目指します

中国上海市に「上海金和源設備租賃有限公司」を、上海米源国際貿易有限公司、オリックス株式会社との合併で設立し、本年2月から営業をスタートしました。カナモトグループ初の海外進出となる同社は現在、建設資材の輸出入業務を行っています。将来的には建機レンタル事業も展開する計画で、中国国内で予定されているビッグプロジェクトや大型インフラ整備を視野に入れながら、ビジネスモデルの早期確立に努めています。

### 効果的な拠点展開、グループ力強化に注力しています

本年1月に千葉新港営業所(千葉市美浜区)を、6月には中国地方初の拠点となる広島営業所(広島市安佐南区)をそれぞれ開設いたしました。ともに需要の見込める地域に位置することから、多様なニーズに対応する営業拠点となると期待しています。

また、北海道では地場有力企業株式会社テーオー小笠原の子会社である株式会社レンタルテーオーの事業を譲受。さらに同月、当社アライアンスグループ参画企業の株式会社九州建産を子会社化するなど、グループネットワークの強化にも注力し、各地区での一層のシェア拡大を目指しています。

### 国内外でIR活動の充実を図っています

当社は従前からIR活動に注力してきましたが、近年は国内外を問わず、より積極的な展開を試みています。

国内では機関投資家訪問や決算説明会の実施、「日経IRフェア」「ノムラ資産管理フェア」といったIRイベントへの出展などこれまで行ってきた活動に加えて、全国各地で個人投資家向け会社説明会も開催しています。

また、本年4月にはイギリス・アメリカ両国で機関投資家訪問を実施いたしました。今後も国内外ともに、IR活動の充実を図ってまいります。

### Kanamoto establishes joint venture company in China. Efforts focus on a quick start to operations.

Kanamoto established Shanghai Jinheyuan Equipment Rental Co., Ltd., a joint venture with Shanghai Miyuan International Trading Co., Ltd. and ORIX Corporation, and began business activities in Shanghai, China in February 2007. Currently this company, the Kanamoto group's first presence overseas, is engaged in importing and exporting construction materials. With plans to also develop the construction equipment rental business in the future, the new company is working to quickly establish its business model, while focusing on major projects and large-scale infrastructure construction being planned in China.

### Kanamoto focuses on effective base development and strengthening group capabilities

Kanamoto established its Chiba Shinminato Branch (Mihama Ward, Chiba City) in January of this year, followed by the opening of the Hiroshima Branch (Asaminami-ku, Hiroshima) in June as the Kanamoto Group's first branch in the Chugoku Region. Because they are positioned in areas with strong demand, both branches are expected to develop as business bases to support various customer needs.

In Hokkaido, Kanamoto took over the business of TO Ogasawara Co., Ltd., a subsidiary company of TO Ogasawara Co., Ltd., a leading local firm. Also in the same month, Kanamoto focused on measures to strengthen the Kanamoto group network, including the conversion of Kyushu Kensen Co., Ltd. a firm participating in the Kanamoto alliance group, into a subsidiary company. Kanamoto currently is seeking to further expand its market share in various regions.

### Kanamoto takes steps to enhance domestic and overseas IR activities

Kanamoto has always focused on IR activities. In recent years, the Company has attempted more proactive development, both in Japan and overseas.

In addition to domestic activities Kanamoto has pursued until now, such as calling on institutional investors and holding operating results briefings, and exhibiting at the "Nikkei IR Fair" and "Nomura Asset Management Fair," the Company has held company presentations in regions throughout Japan to introduce Kanamoto to private investors.

In April of this year, Company management visited institutional investors in Great Britain and the United States. The Company plans to enhance these IR activities in the future, both at home and abroad.

商号  
**株式会社 カナモト**

本社所在地  
札幌市中央区大通東3丁目1番地19

設立  
1964 (昭和39) 年10月28日

資本金  
96億9671万円 (払込済資本金)

上場取引所  
東京証券取引所 第一部・札幌証券取引所

証券コード  
9678

発行済株式総数  
32,872千株

決算期  
毎年10月31日(年1回)

売上高 (2006年10月期)  
連結 680億2378万円  
単体 607億5394万円

従業員数 (役員、嘱託、臨時社員を除く)  
連結 1,452名  
単体 1,183名

Company Name  
**kanamoto co., ltd.**

Head Office  
1-19, Odori Higashi 3-chome Chuo-ku,  
Sapporo, Hokkaido 060-0041 Japan

Established  
October 28, 1964

Capitalization  
¥9,696 million (Paid-in capital)

Listing Exchanges  
Tokyo Stock Exchange, First Section  
Sapporo Stock Exchange

Stock Code  
9678

Common Shares Issued and Outstanding  
32,872,241

Fiscal Year-end  
October 31

Revenues (Fiscal year ended October 2006)  
Consolidated ¥68,023 million  
Non-Consolidated ¥60,753 million

Number of Employees  
(Excluding directors and temporary or part-time workers)  
Consolidated 1,452  
Non-Consolidated 1,183

拠点ネットワーク  
Branchi Network

- レンタル事業部  
Construction Equipment Rental Division
- 鉄鋼事業部  
Steel Sales Division
- ▲ 情報機器事業部  
Information Products Division

アライアンス企業 Kanamoto Alliance Group Firms

連結子会社

- 株式会社アシスト (10拠点)  
Assist Co., Ltd.
- SRGカナモト株式会社 (3拠点)  
SRG Kanamoto Co., Ltd.
- 株式会社カナテック (7拠点)  
Kanatech Co., Ltd.
- 第一機械産業株式会社 (9拠点)  
Daiichi Machine Industries Co., Ltd.
- 株式会社カンキ (7拠点)  
Kanki Corporation

非連結子会社

- 株式会社コムサプライ (5拠点)  
Comsupply Co., Ltd.
- フローテクノ株式会社 (2拠点)  
Flowtechno Corporation
- 九州建産グループ (4社20拠点)  
Kyushu Kensan Group

アライアンス提携会社

- 町田機工株式会社 (15拠点)  
Machida Kikou Co., Ltd.
- ツールレンタル事業 (5拠点)  
Tool Rental Business

\*ホームセンター大手の(株)コメリと提携し、小物機械のレンタル事業を展開しています。

\*Kanamoto is developing the small equipment and tools rental business in cooperation with Japan's DIY leader Komeri Co., Ltd.



本社ビル  
Headquarters Building  
(Sapporo, Hokkaido)



東京事業本部  
Tokyo Operating Division



■当社及び当社グループ営業拠点エリア別内訳 2007年6月現在  
Kanamoto and the group companies' operating branches As of Jun 2007

	カナモト Kanamoto	連結対象会社 Consolidated companies	その他アライアンスグループ Other companies of alliance group	計 Total
北海道 Hokkaido	57	17	4	78
東北 Tohoku	43	2	5	50
関東 Kanto	27	1	1	29
中部 Chubu	15	—	—	15
近畿 Kinki	5	7	—	12
中国 Chugoku	1	—	—	1
四国 Shikoku	1	—	—	1
九州 Kyushu	—	9	22	31
沖縄 Okinawa	—	—	15	15
計 Total	149	36	47	232



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[www.kanamoto.co.jp](http://www.kanamoto.co.jp)

**kanamoto co., ltd.**

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1-19, Odori Higashi 3-chome Chuo-ku, Sapporo, Hokkaido 060-0041 Japan