



**Moving to the World.**

**kanamoto co., ltd.**

**Semiannual Report 2010**

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。市場ニーズに対応する機種、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。お客様の満足をさらに高めるため、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追求していきます。

## Mission Statement

**Over 40 years of continually challenging the potential of the construction equipment rental business.**

Kanamoto's growth has been synonymous with the development of Japan's construction equipment rental business. We help customers rationalize their operations through equipment tailored to market needs, quality assurance, supply channels and a state-of-the-art business model developed to meet the changing times. To attain higher levels of customer satisfaction, Kanamoto will continue to unleash the potential of construction equipment rental solutions.

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## 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。

■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。

■百万円未満の数字は切捨表示しています。

## 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.

■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.

■Throughout this report, amounts of less than ¥1 million are truncated except in the financial statements, where figures of less than ¥1 million are rounded.



ここに2010年10月期上半期における株式会社カナモトの活動状況をご報告し、今後の方針を申し述べます。

当上半期の日本経済は、中国など新興国経済の成長に伴い輸出が回復し、またエコポイント等の景気刺激策により、緩やかな景気拡大を示しました。しかし、円高の影響もありデフレ傾向は継続し、本格回復には力強さを欠きました。当社の主要顧客である建設業においても、一部の地区では補正予算執行の効果があつたものの、民間設備投資と住宅建設はともに低迷し、総体的に建設需要は減少するという厳しい環境でありました。

このような中、当社においては、地道な経費節減努力を継続しつつ、営業現場においては積極的に需要の掘り起こしに努めたことに加え、中古建機輸出の採算が好転したことから、利益率は大きく改善されました。

今後も国内建設投資の大きな伸びは期待できず、厳しい外部環境が続くと予想されますが、引き続き全てのコストに徹底的なメスをいれ、損益分岐点の低下を図ります。またカナモトグループとして、国内アライアンス先の拡大を図りグループシェアを高めます。

国外においては、中国事業の拡大に注力し、上海・香港での需要を確実に取り込んでまいります。

株主の皆様におかれましては、当社へ従前に変わらぬご支援を賜りますよう、お願い申し上げます。

株式会社カナモト 代表取締役社長

金本 寛中

I am pleased to report on the activities of Kanamoto Co., Ltd. during the first half of the Business Period ending October 31, 2010 and discuss our policies for the future.

During the interim period, Japan's economy exhibited a gradual expansion driven by a recovery in exports that was spurred by economic growth in China and other newly developing countries, and by various domestic economic stimulus measures such as the eco-point system. Nevertheless, the economy was affected by the strengthening of the yen and the continuing deflationary trend, and lacked the vigor for a full-scale recovery. In the construction industry that is Kanamoto's main customer, the environment remained severe. Despite the positive effects from supplementary budgets executed in certain regions, both private sector capital investment and housing construction were sluggish, and construction demand on the whole declined. Faced with these circumstances, we continued our steady expenditure reduction efforts and worked aggressively at construction sites to identify and meet demand. Kanamoto also benefited from higher margins on its used construction equipment exports. As a result, our profit margins improved significantly.

Although we cannot anticipate large growth in domestic construction investment in the future, and the stringent external environment is expected to persist, we will continue taking a sharp knife to all costs, in order to lower our break-even point. As the Kanamoto group, we also will seek to add to our domestic alliance partners and increase the group's market share. Overseas we are concentrating on the expansion of Kanamoto's China business, and working to reliably attract demand in Shanghai and Hong Kong.

We look forward to continuing to receive your unwavering support and encouragement for the Kanamoto group in the future.

Kanchu Kanamoto, President and Chief Executive Officer

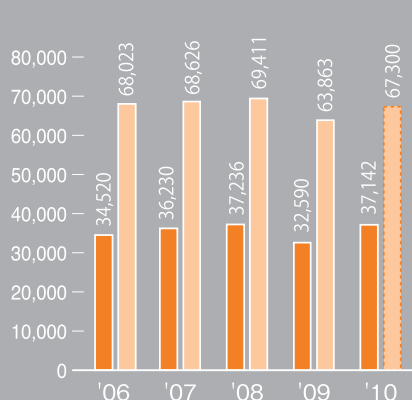
K. Kanamoto

## 連結財務ハイライト Consolidated Financial Highlights

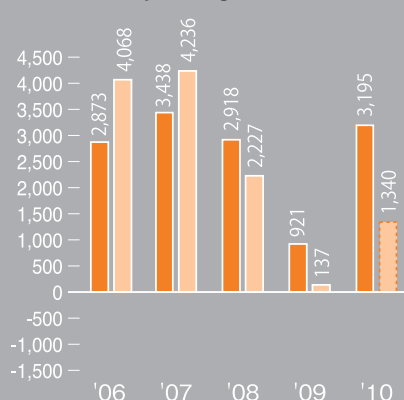
		百万円 Millions of yen		千ドル Thousands of U.S. dollars (Note)
		April 30, 2009	April 30, 2010	April 30, 2010
<b>連結経営成績</b>		<b>Consolidated operating results</b>		
売上高	Rental revenues and sales of goods	¥32,590	¥37,142	\$394,839
営業利益	Operating income	921	3,195	33,970
経常利益	Ordinary income	793	2,924	31,088
四半期純利益	Net income	-143	1,515	16,111
自己資本利益率	ROE	-0.38%	4.0%	
<b>連結財政状態</b>		<b>Consolidated financial position</b>		
総資産	Total assets	97,784	107,860	1,146,600
純資産	Shareholders' equity	37,822	38,125	405,290
自己資本比率	Shareholders' equity ratio	38.3%	34.8%	
1株当たり純資産(円)	Shareholders' equity per share (yen)	1,140.50	1,143.19	12.15
<b>連結キャッシュ・フローの状況</b>		<b>Consolidated cash flows</b>		
営業活動によるキャッシュ・フロー	Cash flow from operating activities	2,647	5,575	59,275
投資活動によるキャッシュ・フロー	Cash flow from investing activities	-2,287	729	7,754
財務活動によるキャッシュ・フロー	Cash flow from financing activities	587	1,346	14,314
現金及び現金同等物の四半期末残高	Balance of cash and equivalents at end of the period	18,538	21,925	233,079

■ 第2四半期(中間)/Interim Period ■ 通期/Full year ■ 予想値/Projected 単位:百万円/Unit: Millions of yen

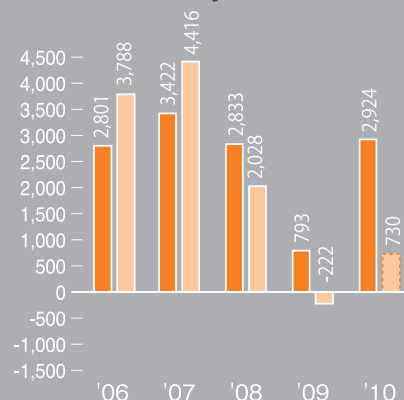
売上高 Revenues



営業利益 Operating Income



経常利益 Ordinary Income



1株当たり情報	Information per share of common stock	円 Yen		ドル U.S. dollars (Note)
		April 30, 2009	April 30, 2010	April 30, 2010
四半期純利益	Net income	¥-4.38	¥46.15	\$0.49
第2四半期末配当金	Dividends per share	10.00	10.00	0.11

\*表示されている米ドル金額は、2010年4月30日現在のおおよその実勢為替レート1ドル=94.07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 ¥94.07=US \$1, the approximate exchange rate on April 30, 2010.

## 財務トピックス

### 売上高

昨年来の工事量激減やレンタル価格の競争激化など厳しい経営環境が続いておりましたが、連結売上高は対前年同期比14.0%増となりました。主な要因は、北海道地区の業績の伸長、中古建機市場の価格回復などです。

### 営業利益

カナモト本体の回復が大きなき要因ですが、国内外の連結子会社において増益を確保している子会社があったことも収益改善の要因です。なお、連結子会社の営業利益を単純合算すると676百万円となっております。

### 四半期純利益

営業・整備・フロントが一体となった提案型営業を展開した結果、建機レンタル収入が大幅増進し、1,515百万円の純利益となりました。なお、前年同期は特別損失として投資有価証券評価損586百万円を計上したことなどから、143百万円の純損失でした。

## Financial Topics

### Revenues

Despite the persistent severe management environment, including the sharp decline in the volume of works since last year and intensive rental price competition, consolidated revenues rose 14.0% compared with the same period of the previous consolidated fiscal year. The main factors included stronger operating results in the Hokkaido Region and the recovery of prices in the used construction equipment market.

### Operating income

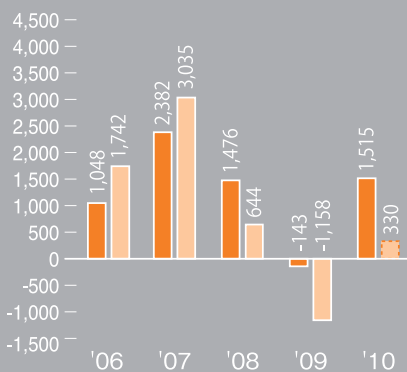
The single biggest factor behind the earnings improvement was the recovery in operating income at Kanamoto itself, but higher earnings at some domestic and foreign consolidated subsidiaries also played a role. On a standalone basis, operating income at consolidated subsidiaries totaled ¥676 million.

### Net income

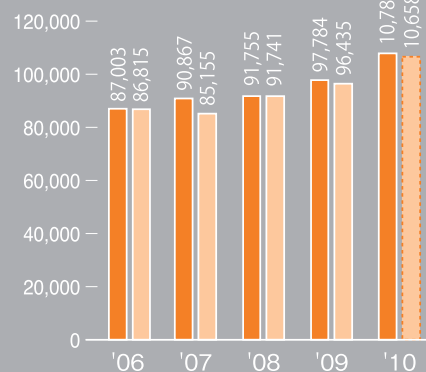
Construction equipment rental revenue improved substantially as the result of developing proposal-based marketing activities involving equipment sales, maintenance and support staff, and resulted in net income of ¥1,515 million.

The ¥143 million net loss recorded in the same period one year earlier reflected various factors, including a valuation loss on investment securities of ¥586 million that was recorded as an extraordinary loss.

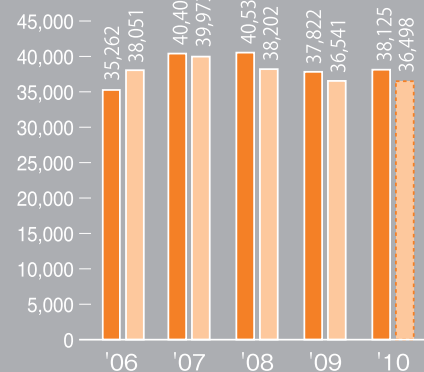
四半期(当期)純利益 Net Income



総資産 Total Assets



純資産 Shareholders' Equity



## 第46期第2四半期事業報告書

[2009(平成21)年11月1日から2010(平成22)年4月30日まで]

### ■連結経営成績

	45期第2四半期	46期第2四半期
売上高	32,590(-)	37,142 (14.0)
営業利益	921(-)	3,195 (246.8)
経常利益	793(-)	2,924 (268.4)
四半期(中間)純利益	△143(-)	1,515 (-)

単位:百万円 括弧内は対前年同四半期増減率(%)

第45期は四半期報告制度の適用初年度であり、第44期までと適用される会計基準や用語、様式および作成方法に関する規則等が異なるために対前年同四半期増減率は「-」を記載

### ■連結セグメント別売上高

	45期第2四半期	46期第2四半期
建設関連事業	30,025 (△12.3)	34,654 (15.4)
鉄鋼関連事業	2,338 (△14.3)	2,129 (△8.9)
情報通信関連・その他事業	227 (△16.7)	358 (57.8)
四半期(中間)合計	32,590 (△12.5)	37,142 (14.0)

単位:百万円 括弧内は対前年同四半期増減率(%)

### ■通期(2010年10月期)連結業績予想

	前回発表予想数値 (2009年12月4日発表)	今回修正予想 (2010年5月28日発表)
売上高	67,100 (5.1)	67,300 (5.4)
営業利益	1,150 (737.5)	1,340 (875.8)
経常利益	710(-)	730 (-)
当期純利益	110(-)	330 (-)

単位:百万円 括弧内は対前期増減率(%)

2009年12月4日発表の第46期通期の業績予想について、2010年5月28日に修正を発表

#### 通期業績予想の修正理由

当社グループにおける下期につきましては、第3四半期が国家予算の新年度開始と重なり建設需要が少ないため、従来から上期と比較すると下期の業績は大きな進捗は見られない傾向があります。特に今年度は上期にあった経済対策関連工事も終焉を迎え、また今夏は参院選もあるなど、地方での建設需要は大きく毀損するものと想定されます。民需も少なく公共事業も大幅に削られた地方における建機レンタルは、需要減による競争の激化、それに伴う単価下落など利益確保が困難な状態が引き続くものと考えられます。また、大都市圏など都市部における民需の立ち直りも未だその動きが見られず、下期の動向は極めて不透明と言わざるを得ません。第2四半期までの業績結果に比べてやや保守的な通期業績予想となっているのは、これら厳しい経営環境を考慮したためです。

### 【経営環境】

当社グループの第2四半期の日本経済は、欧米では消費の低迷が続きましたが、中国などアジア経済拡大の恩恵を受け外需主導の景気回復が裾野を拡大させ、大手製造業を中心に企業収益は改善を見せました。また、エコカー減税やエコポイント制度などの消費刺激策も一定の効果を表し、全体的には緩やかな回復を示しました。

しかしながら、サービス、流通産業などを中心にデフレ化が一層進み、民間の設備投資も昨年的大幅調整の反動による循環的な戻りはあるものの、設備過剰感は引き続き残るなど、景気の本格的回復は見込めない状況にありました。建設業界にあつては、国内において民間建設需要が引き続き低迷する一方、経済対策関連の特需が地方部を中心にあつたことからやや一服感が保たれました。また、中小業者向けの金融対策も奏功して倒産件数も従来ペースから鈍化する傾向にありました。

### 【第2四半期の累計連結業績】

当社グループの平成22(2010)年10月期第2四半期連結累計期間の業績につきましては、引き続き厳しい収益環境でありましたが、前年同期間に比べ全般的に建機レンタル需要がやや改善されたこと、中古建機市況が比較的早期に回復したことなどから、連結売上高は371億42百万円(前年同四半期比14.0%増)となりました。

一方、利益面も、連結営業利益は31億95百万円(同246.8%増)、連結経常利益は29億24百万円(同268.4%増)でした。また、連結四半期純利益は15億15百万円(前年同四半期は四半期純損失1億43百万円)と改善いたしました。

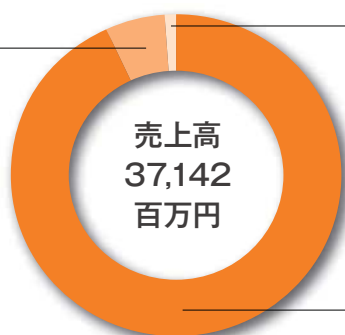
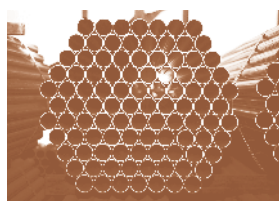
### 【事業種類別セグメントの業績】

#### 建設関連事業

国内の建機レンタルは、昨年来の工事量激減に伴い全国的に価格競争がこれまで以上に激化して消耗戦の様相を呈しております。当社グループでは、グループ会社を一体化した提案型営業などを積極的に展開し、また、新型省エネ機を増強するなど建機レンタル資産構成の再構築・適正化を図り、各地で地域シェアを伸長させるべく努めました。この結果、同事業分野におけるレンタル売上高の対前年同期比は13.7%の二桁増となりました。地域別対前年同期比は、グループ力を発揮できた北海道地区で51.7%増と大きく業

## ■連結セグメント別売上比率

鉄鋼関連事業 5.7%



情報通信関連・その他事業 1.0%



建設関連事業 93.3%

レンタル	76.0%
販売	15.0%
中古建機販売	9.0%

績を伸ばしたほか、東北地区は3.0%増と一昨年同期並まで回復し、民需の途切れた関東地区(10.0%減)、近畿中部地区(6.9%減)、九州沖縄地区(11.3%減)の減収分を補完することとなりました。

また、同事業分野における販売売上高は、中古建機市況が世界同時不況以前の水準に回復したことを背景に、計画どおりの売却を進め得たことから対前年同期比21.2%増と順伸びしました。

一方、海外子会社は、業績に占める割合が些少でありますものの、なかでも上海金和源グループ(上海金和源設備租賃有限公司、上海金和源建設工程有限公司)は上海市のインフラ整備、万博需要対応ほか、天津でも営業を展開するなど好調に推移しており、業績を伸長させております。

これらの結果、建設関連事業の当第2四半期連結累計期間の売上高は346億54百万円(対前年同期比15.4%増)、営業利益は32億19百万円(同243.7%増)と計画を大きく上回る結果となりました。

### 鉄鋼関連事業

北海道内の鉄鋼製品需要は、建機レンタル同様に経済対策関連以外は極めて少なく、建築資材の取り扱いを強化するなど実需確保に努力いたしましたが、第2四半期連結累計期間の売上高は21億29百万円(同8.9%減)、また、鉄鋼

メーカーの値上げ分を価格に転嫁しきれず、営業損失は2百万円(前年同期は営業損失3百万円)となりました。

### 情報通信関連・その他事業

情報通信関連事業については、企業の開発関連費の縮減により、パソコンレンタルの顧客数が減少したことから、商品売上の大口成約があったもののレンタルの減収に抗えませんでした。一方、技術者派遣事業は事業開始から間もない状況ですが、企業の研究開発事業の回復傾向もあり順調に推移しました。

これらの結果、当事業の第2四半期連結累計期間の売上高は3億58百万円(同57.8%増)、また、営業利益は3百万円(同76.3%減)となりました。

### 【特記すべき事業展開と拠点新設閉鎖の状況】

- (1) 当社の当第2四半期連結累計期間における国内拠点の新設閉鎖はありませんでした。
- (2) 上述の上海金和源グループ(上海金和源設備租賃有限公司、上海金和源建設工程有限公司 本社:中国上海市)のほか、SJ Rental, Inc.(本社:米国準州グアム)、(株)カナモトエンジニアリング(本社:東京都港区)の計4社を、第1四半期連結会計期間より連結対象子会社としております。

連結貸借対照表

	第45期 第2四半期末 (2009.4.30)	第45期末 (2009.10.31)	第46期 第2四半期末 (2010.4.30)		第45期 第2四半期末 (2009.4.30)	第45期末 (2009.10.31)	第46期 第2四半期末 (2010.4.30)
(単位:百万円)				(単位:百万円)			
<b>資産の部</b>				<b>負債の部</b>			
<b>流動資産</b>	34,523	31,363	<b>38,832</b>	<b>流動負債</b>	30,122	30,618	<b>41,390</b>
現金及び預金	14,371	12,345	<b>20,684</b>	支払手形及び買掛金	11,995	13,150	<b>12,447</b>
受取手形及び売掛金	13,924	14,388	<b>14,081</b>	短期借入金	1,368	1,258	<b>9,701</b>
有価証券	4,250	1,800	<b>1,350</b>	1年内返済予定の 長期借入金	10,511	10,537	<b>10,461</b>
未成工事支出金	80	38	<b>16</b>	1年内償還予定の 社債	62	42	<b>22</b>
商品及び製品	535	643	<b>699</b>	未払法人税等	434	14	<b>1,613</b>
原材料及び貯蔵品	143	140	<b>159</b>	賞与引当金	413	464	<b>619</b>
建設機材	994	1,011	<b>1,010</b>	関係会社整理 損失引当金	-	-	<b>94</b>
未収還付法人税等	-	355	<b>-</b>	未払金	3,760	4,293	<b>4,495</b>
未収消費税等	-	71	<b>-</b>	その他	1,575	856	<b>1,933</b>
繰延税金資産	231	261	<b>456</b>	<b>固定負債</b>	29,839	29,274	<b>28,344</b>
その他	528	783	<b>813</b>	社債	55	44	<b>33</b>
貸倒引当金	△535	△475	<b>△438</b>	長期借入金	21,980	20,987	<b>17,527</b>
<b>固定資産</b>	63,261	65,071	<b>69,028</b>	退職給付引当金	1,249	1,320	<b>1,390</b>
<b>有形固定資産</b>	56,869	58,517	<b>63,675</b>	役員退職慰労引当金	177	226	<b>239</b>
レンタル用資産	52,920	54,406	<b>61,263</b>	長期未払金	5,928	6,327	<b>7,324</b>
減価償却累計額	△35,265	△35,145	<b>△36,490</b>	その他	449	368	<b>1,829</b>
レンタル用資産 (純額)	17,654	19,261	<b>24,773</b>	<b>負債合計</b>	59,962	59,893	<b>69,735</b>
建物及び構築物	19,792	20,904	<b>20,833</b>				
減価償却累計額	△11,944	△12,296	<b>△12,599</b>	<b>純資産の部</b>			
建物及び 構築物(純額)	7,848	8,607	<b>8,234</b>	<b>株主資本</b>	37,311	35,968	<b>37,223</b>
機械装置及び 運搬具	5,060	5,206	<b>5,201</b>	資本金	9,696	9,696	<b>9,696</b>
減価償却累計額	△4,213	△4,316	<b>△4,375</b>	資本剰余金	10,960	10,960	<b>10,960</b>
機械装置及び 運搬具(純額)	847	889	<b>825</b>	利益剰余金	16,677	15,334	<b>16,590</b>
土地	29,446	29,448	<b>29,545</b>	自己株式	△23	△23	<b>△24</b>
建設仮勘定	830	-	<b>8</b>	<b>評価・換算差額等</b>	140	235	<b>314</b>
その他	1,221	1,344	<b>1,347</b>	その他有価証券 評価差額金	140	235	<b>333</b>
減価償却累計額	△979	△1,033	<b>△1,058</b>	為替換算調整勘定	-	-	<b>△18</b>
その他(純額)	241	310	<b>288</b>	<b>少数株主持分</b>	370	337	<b>587</b>
<b>無形固定資産</b>	853	865	<b>768</b>	<b>純資産合計</b>	37,822	36,541	<b>38,125</b>
のれん	618	542	<b>446</b>	<b>負債純資産合計</b>	97,784	96,435	<b>107,860</b>
その他	234	323	<b>321</b>				
<b>投資その他の資産</b>	5,538	5,687	<b>4,584</b>				
投資有価証券	2,739	3,218	<b>2,343</b>				
繰延税金資産	1,278	1,286	<b>1,028</b>				
その他	2,607	2,399	<b>2,154</b>				
貸倒引当金	△1,086	△929	<b>△892</b>				
投資損失引当金	-	△287	<b>△50</b>				
<b>資産合計</b>	<b>97,784</b>	<b>96,435</b>	<b>107,860</b>				



## 連結損益計算書

	第45期第2四半期 (2008.11.1~ 2009.4.30)	第45期 (2008.11.1~ 2009.10.31)	第46期第2四半期 (2009.11.1~ 2010.4.30)
(単位:百万円)			
<b>売上高</b>	32,590	63,863	<b>37,142</b>
売上原価	23,241	46,914	<b>25,144</b>
<b>売上総利益</b>	9,348	16,949	<b>11,998</b>
販売費及び一般管理費	8,427	16,812	<b>8,802</b>
<b>営業利益</b>	921	137	<b>3,195</b>
営業外収益	183	396	<b>223</b>
受取利息	27	42	<b>8</b>
受取配当金	7	40	<b>11</b>
受取保険金	22	42	<b>63</b>
受取賃貸料	22	52	<b>26</b>
受取報奨金	2	5	<b>1</b>
負ののれん償却額	34	69	<b>34</b>
その他	66	142	<b>77</b>
営業外費用	311	757	<b>494</b>
支払利息	199	455	<b>362</b>
手形売却損	34	57	<b>26</b>
その他	77	244	<b>106</b>
<b>経常利益又は 経常損失(△)</b>	793	△222	<b>2,924</b>
特別利益	29	64	<b>291</b>
固定資産売却益	-	3	-
投資有価証券売却益	-	-	<b>153</b>
貸倒引当金戻入額	3	32	<b>52</b>
退職給付引当金戻入額	16	-	-
補助金収入	-	-	<b>77</b>
その他	9	28	<b>7</b>
特別損失	655	995	<b>173</b>
固定資産除売却損	29	107	<b>38</b>
減損損失	0	0	-
投資有価証券評価損	586	435	<b>4</b>
投資損失引当金繰入額	-	287	-
貸倒引当金繰入額	-	73	<b>35</b>
関係会社整理損失 引当金繰入額	-	-	<b>94</b>
その他	38	89	<b>0</b>
<b>税金等調整前四半期純 利益又は税金等調整前 四半期純損失(△)</b>	168	△1,153	<b>3,042</b>
法人税、住民税及び 事業税	402	223	<b>1,561</b>
法人税等調整額	△183	△285	<b>△73</b>
少数株主利益	93	66	<b>38</b>
<b>四半期純利益又は 四半期純損失(△)</b>	△143	△1,158	<b>1,515</b>

## 連結キャッシュ・フロー計算書

	第45期第2四半期 (2008.11.1~ 2009.10.31)	第45期 (2008.11.1~ 2009.10.31)	第46期第2四半期 (2009.11.1~ 2010.10.31)
(単位:百万円)			
<b>営業活動によるキャッシュ・フロー</b>	2,647	2,076	<b>5,575</b>
税金等調整前四半期純利益又は 税金等調整前四半期純損失(△)	168	△1,153	<b>3,042</b>
減価償却費	2,230	5,093	<b>3,684</b>
減損損失	0	0	-
のれん償却額	85	186	<b>92</b>
固定資産除売却損益(△は益)	29	107	<b>33</b>
少額レンタル用資産割賦購入額	17	24	-
建設機材売却に伴う原価振替額	12	15	<b>0</b>
レンタル用資産売却に伴う原価振替額	331	710	<b>413</b>
レンタル用資産取得による支出	△2,234	△4,113	<b>△2,052</b>
投資有価証券評価損益(△は益)	586	435	<b>4</b>
投資有価証券売却損益(△は益)	2	2	<b>△153</b>
貸倒引当金の増減額(△は減少)	118	△98	<b>△91</b>
投資損失引当金の増減額(△は減少)	-	287	-
賞与引当金の増減額(△は減少)	△148	△97	<b>145</b>
退職給付引当金の増減額(△は減少)	94	165	<b>70</b>
役員退職慰労引当金の増減額(△は減少)	△5	43	<b>12</b>
関係会社整理損失引当金の増減額(△は減少)	-	-	<b>94</b>
受取利息及び受取配当金	△34	△83	<b>△20</b>
レンタル用資産割賦購入支払利息	81	160	<b>89</b>
支払利息	199	455	<b>362</b>
売上債権の増減額(△は増加)	2,061	1,499	<b>683</b>
たな卸資産の増減額(△は増加)	210	166	<b>△12</b>
仕入債務の増減額(△は減少)	△1,352	△835	<b>△1,195</b>
未払金の増減額(△は減少)	352	463	<b>90</b>
その他	112	△215	<b>426</b>
小計	2,919	3,222	<b>5,721</b>
利息及び配当金の受取額	36	86	<b>20</b>
利息の支払額	△297	△623	<b>△412</b>
法人税等の支払額	△11	△608	<b>246</b>
<b>投資活動によるキャッシュ・フロー</b>	△2,287	△3,192	<b>729</b>
定期預金の預入による支出	-	△9	<b>△50</b>
定期預金の払戻による収入	121	154	<b>0</b>
有形固定資産の取得による支出	△1,696	△2,286	<b>△75</b>
有形固定資産の売却による収入	16	21	<b>13</b>
無形固定資産の取得による支出	△29	△164	<b>△28</b>
投資有価証券の取得による支出	△515	△675	<b>△14</b>
投資有価証券の売却による収入	51	51	<b>773</b>
連結の範囲の変更を伴う 子会社株式の取得による支出	△169	△199	-
子会社株式の取得による支出	△46	△46	<b>△12</b>
非連結子会社株式の売却による収入	-	15	-
子会社の設立による支出	△21	-	-
関連会社設立による支出	-	△52	-
貸付けによる支出	-	-	<b>△62</b>
貸付金の回収による収入	-	-	<b>59</b>
その他	0	△0	<b>126</b>
<b>財務活動によるキャッシュ・フロー</b>	587	△2,439	<b>1,346</b>
短期借入金の純増減額(△は減少)	137	28	<b>7,536</b>
長期借入れによる収入	8,000	12,760	<b>2,008</b>
長期借入金の返済による支出	△5,391	△11,119	<b>△5,567</b>
社債の償還による支出	△31	△62	<b>△31</b>
割賦債務の返済による支出	△1,800	△3,388	<b>△2,077</b>
自己株式の取得による支出	△1	△1	<b>△0</b>
配当金の支払額	△326	△656	<b>△327</b>
その他	-	-	<b>△194</b>
現金及び現金同等物に係る換算差額	-	-	<b>2</b>
<b>現金及び現金同等物の増減額(△は減少)</b>	947	△3,554	<b>7,654</b>
現金及び現金同等物の期首残高	17,566	17,566	<b>14,086</b>
非連結子会社との合併に伴う 現金及び現金同等物の増加額	24	74	-
新規連結に伴う現金及び 現金同等物の増加額	-	-	<b>185</b>
現金及び現金同等物の四半期末残高	18,538	14,086	<b>21,925</b>

## Changes in accounting principles, procedures and presentation methods pertaining to preparation of the consolidated financial statements.

**a) Beginning from this consolidated accounting fiscal year, the Company has adopted the “Accounting Standard for Quarterly Financial Reporting” and the “Guidance on Accounting Standard for Quarterly Financial Reporting”. In addition, the quarterly consolidated financial report has been prepared in accordance with the “Regulation for Quarterly Consolidated Financial Statements.”**

### **b) Changes in appraisal standards and appraisal methods for principal assets Inventory assets**

Beginning from the first quarter of the consolidated accounting fiscal year ended October 31, 2009, the Company will apply the “Accounting Standard for Measurement of Inventories” and will value inventories based on the original cost method, with cost being determined mainly by the Last-in, First-out method (amounts shown on Balance Sheets will be the reduced book value based on decline in profitability).

The affect of this change on earnings is not material.

### **Construction equipment**

Traditionally, the Company and its domestic consolidated subsidiaries valued construction equipment using the amount after deduction of depreciation expense as calculated according to the declining-balance method from the original prices, by separate fiscal year of purchase. Beginning from the first quarter of the consolidated accounting fiscal year ended October 31, 2009, the Company will calculate the amount after deduction of depreciation expense as calculated according to the straight-line method from the original prices, by separate fiscal year of purchase.

As a result, the cost of revenues from operations decreased by ¥34 million, and gross profit, operating income, ordinary income and income before taxes and adjustments increased by the same amount, respectively, compared to what they otherwise would have been had the accounting standards used in past periods been applied.

### **Changes in accounting standards used for normal accounting treatment**

#### **Application of accounting standards for lease transactions (Lessee side)**

The Company traditionally accounted for finance lease transactions other than leases that transfer ownership of the property by applying accounting treatment based on the method applied for ordinary rental transactions. For quarterly consolidated financial statements pertaining to the consolidated fiscal year that begins on or after April 1, 2008, however, corporations will be able to apply the “Accounting Standard for Lease Transactions” and the “Guidance on Accounting Standard for Lease Transactions”, and beginning from the first quarter of the consolidated accounting fiscal year ended October 31, 2009, the Company will apply these standards and account for such transactions using a method similar to that used for ordinary sale and purchase transactions. In addition, for depreciation for lease assets related to finance lease transactions other than leases that transfer ownership of the property, the Company has adopted the straight-line depreciation method, using the term of the lease as the depreciable life and a residual value of zero.

For finance lease transactions other than leases that transfer ownership of the property for which the lease transaction starting date predates the beginning of the first year in which the lease accounting standard will be applied, the Company will continue to apply the accounting practices based on the method for ordinary rental transactions.

The affect of this change on earnings is not material.

#### **Change in depreciation methods for principal depreciable assets (Tangible fixed assets)**

Traditionally, the Company and its domestic consolidated subsidiaries have applied the declining balance method for depreciation of rental equipment. Beginning from the first quarter of the consolidated accounting fiscal year ended October 31, 2009, the Company and its domestic subsidiaries have adopted the straight-line depreciation method.

As a result, the cost of revenues from operations decreased by ¥1,129 million, and gross profit, operating income, ordinary income and income before taxes and adjustments increased by the same amount, respectively, compared to what they otherwise would have been had the accounting standards used in past periods been applied.

## Report of Operating Results and Financial Position for the six months ended April 30, 2010

(November 1, 2009 - April 30, 2010)

### <Management Environment>

During the Kanamoto Group's second quarter, Japan's economy benefited from economic growth in China and other Asian countries that expanded the base supporting an external demand-driven business recovery, and corporate earnings – particularly at major manufacturers – showed improvement despite ongoing weakness in consumption in the United States and Europe. In addition, consumption stimulus measures such as a reduction of the automobile tax on environmentally friendly cars and the eco-point system also demonstrated a certain positive effect, and overall the economy maintained a mild but steady recovery. Nevertheless, deflation progressed further in some sectors, including services and the logistics industry, and although private sector capital investment also enjoyed a cyclical upturn in reaction to the large adjustments in the prior year, the sense that companies still face overcapacity lingered, and conditions dampened expectations of a full-scale economic recovery.

In the construction industry, domestic private sector construction demand remained sluggish. The lull was softened, on the other hand, by special procurement related to economic measures that was centered on local areas.

Financial countermeasures aimed at small and medium-sized firms also proved successful, and the number of bankruptcies followed a slowing trend from the recent pace.

### <Interim Period Consolidated Operating Results>

For the interim period of the consolidated fiscal year ending in October 2010, the consolidated revenues of the Kanamoto Group rose 14.0% compared with the same period of the previous consolidated fiscal year to ¥37,142 million. Although the severe earnings environment was unchanged, construction equipment rental demand generally was somewhat improved compared with the same period of the previous consolidated fiscal year. The comparatively early recovery of the market for used construction equipment also was a positive factor.

The positive improvement carried through to earnings as well, as consolidated operating income jumped 246.8% year-on-year to ¥3,195 million and consolidated ordinary income rose 268.4% compared with the same period one year earlier to ¥2,924 million. Interim consolidated accounting period net income was ¥1,515 million, compared with an interim period net loss of ¥143 million in the same period of the previous consolidated fiscal year.

### Consolidated Operating Results

(Millions of yen, Percentages show the change from prior year)	Fiscal Year Ended October 31, 2009 :Second Quarter		Fiscal Year Ending October 31, 2010 :Second Quarter	
Revenues	32,590	-	37,142	14.0%
Operating income	921	-	3,195	246.8%
Ordinary income	793	-	2,924	268.4%
Net income	-143	-	1,515	-

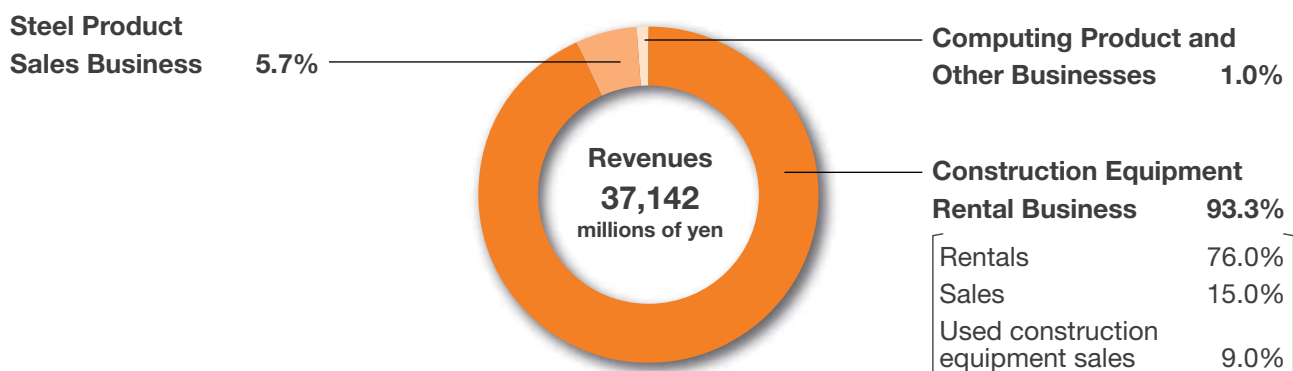
Note: The 45th Business Period is the first year in which the Company will apply the quarterly financial reporting system. Because the rules concerning accounting standards, terminology, formats and method for preparation of financial statements differs from those applied until the 44th Business Period, the percentage change compared with the same quarter of the prior fiscal year is indicated by a hyphen ("-").

### Divisional Sales(Consolidated)

(Millions of yen, Percentages show the change from prior year)	Fiscal Year Ended October 31, 2009 :Second Quarter		Fiscal Year Ending October 31, 2010 :Second Quarter	
Construction Equipment Rental Business	30,025	-12.3%	34,654	15.4%
Steel Product Sales Business	2,338	-14.3%	2,129	-8.9%
Computing Product and Other Businesses	227	-16.7%	358	57.8%
Total	32,590	-12.5%	37,142	14.0%

(November 1, 2009 - April 30, 2010)

## Divisional Sales Ratio(Consolidated)



### <Segment Information>

#### Business related to the Construction Equipment Rental Division

Domestic construction equipment rentals had all the appearance of a war of attrition. Price competition throughout Japan grew even more feverish as the volume of work fell sharply from the prior year. The Kanamoto Group aggressively developed tactics such as proposal-based sales that integrate all of the Group's businesses, and worked to restructure the construction equipment rental asset portfolio and align it more appropriately with various markets, including a broader selection of new energy-saving equipment, and strove to expand its market share in various regions. As a result, rental revenues in this business sector exhibited double-digit growth, increasing 13.7% compared with the same period of the previous consolidated fiscal year. By region, year-on-year growth was highest in the Hokkaido Region where Kanamoto was able to demonstrate the Group's capabilities, as revenues increased sharply by 51.7%. Revenues rose 3.0% year-on-year in the Tohoku

Region and recovered to the prior year level. Such growth was sufficient to supplement revenue declines of 10.0% in the Kanto Region, 6.9% in the Kinki & Chubu Region and 11.3% in the Kyushu & Okinawa Region, areas where private sector demand was curtailed.

Moreover, revenues from equipment sales in this business sector expanded briskly, rising 21.2% compared with the same period of the previous consolidated fiscal year. Sales progressed according to the Company's plan against the backdrop of a recovery in the market for used construction equipment to the level enjoyed prior to the global recession. Although Kanamoto's overseas subsidiaries account for only a small percentage of the Group's total operating results, the Shanghai Jinheyuan Group (Shanghai Jinheyuan Equipment Rental Co., Ltd. and Shanghai Jinheyuan Engineering Construction Co., Ltd.) expanded its operating performance by steadily supporting infrastructure construction and demand related to the international exposition in Shanghai, and developing its business in Tianjin.

## Projected Consolidated Operating Results for the Fiscal Year Ending October 2010

(Millions of yen, Percentages show the change from prior year)	Prior projection (Dec 4, 2009)		Revised projection (May 28, 2010)	
Revenues	67,100	5.1%	67,300	5.4%
Operating income	1,150	737.5%	1,340	875.8%
Ordinary income	710	-	730	-
Net income	110	-	330	-

Note: On May 28, 2010, the Company announced revisions to the projections of consolidated and non-consolidated operating results released on December 4, 2009.

As a result of these factors, revenues for Kanamoto's construction-related businesses in the interim consolidated accounting period under review increased 15.4% from the same period of the previous consolidated fiscal year to ¥34,654 million, and operating income soared 243.7% year-on-year to ¥3,219 million.

#### Business related to the Steel Sales Division

With the exception of demand related to economic stimulus measures similar to those for construction equipment rental, demand for steel products in Hokkaido was extremely limited. Despite efforts to secure actual demand, such as steps to enhance sales of construction-related materials, revenues for the interim consolidated accounting period under review declined 8.9% year-on-year to ¥2,129 million. Because of the inability to pass along steel manufacturers' price increases to customers, the operating loss was ¥2.0 million, compared with an operating loss of ¥3.0 million in the same period one year earlier.

#### Information Products Division-related businesses and other business

Although it obtained large contracts for product sales, the Company's information and telecommunications-related division was unable to stave off a decline in rental income as the number of personal computer rental customers fell

because of corporate cutbacks in development-related expenses. The engineer dispatch business, on the other hand, achieved steady revenue growth despite having only just started operations, reflecting the recovery trend in the research and development activities of firms. As a result of these factors, for the interim consolidated accounting period under review revenues increased 57.8% from the same period of the previous consolidated fiscal year to ¥358 million. Operating income fell 76.3% year-on-year to ¥3.0 million.

#### <Business development issues deserving special mention and status of branch office changes>

(1) The Company did not open or close any branches during the interim consolidated accounting period under review.

(2) During the first quarter of the consolidated accounting period under review, Kanamoto converted four companies - Shanghai Jinheyuan Group described above (Shanghai Jinheyuan Equipment Rental Co., Ltd. and Shanghai Jinheyuan Engineering Construction Co., Ltd.; Head office: Shanghai, China), SJ Rental, Inc. (Head office: Territory of Guam, United States) and Kanamoto Engineering Co., Ltd. (Head office: Minato Ward, Tokyo, Japan) - into companies subject to consolidation.

### Reasons for the revision to the projected full-year operating results

Because the third quarter of the Kanamoto Group's fiscal year (May-July) overlaps the start of the new fiscal year for the central government and national budget, construction demand is slack, and traditionally Kanamoto's operating results in the second half of the Company's fiscal year (May-October) tend not to exhibit large increases compared with the first half. In the current fiscal year in particular, construction demand in most regions is expected to contract substantially, as construction works related to economic stimulus measures during the first half near an end and the country prepares for the approaching summer elections for the Upper House. Conditions that will make it difficult to maintain earnings, including weak private sector demand, intensifying competition resulting from falling construction equipment rental demand in regions where public works have been sharply curtailed and concomitant unit price reductions, are expected to continue. Moreover, there are still no signs of activity that would indicate a recovery of private sector demand in urban areas including Japan's major metropolitan areas, and the trend in the latter half of the business period must be acknowledged to be extremely uncertain. In light of this severe operating climate, the full-year projection does not anticipate the large net increases seen until the second quarter.

## Interim Consolidated Balance Sheets

	Millions of yen		Thousands of U.S. dollars (Note)
	April 30, 2009 (unaudited)	October 31, 2009	
			April 30, 2010 (Unaudited)
<b>Assets</b>			
<b>Current assets:</b>			
Cash and deposits	¥14,371	¥12,345	¥20,684
Marketable securities	4,250	1,800	1,350
Notes and accounts receivable, trade	13,924	14,388	14,081
Merchandise inventories and products	586	643	699
Raw material and supplies	143	141	159
Deferred income taxes	231	262	456
Other current assets	1,555	2,261	1,842
Less: Allowance for doubtful accounts	(536)	(476)	(439)
<b>Total current assets</b>	<b>34,524</b>	<b>31,364</b>	<b>38,832</b>
<b>Property and equipment</b>			
Rental equipment	52,921	54,407	58,270
Buildings and structures	19,793	20,905	20,833
Machinery and equipment	6,282	6,551	6,548
Less: Accumulated depreciation	(52,403)	(52,793)	(54,213)
	26,593	29,070	31,438
Land	29,446	29,448	29,546
Lease assets	–	–	2,683
Construction in progress	831	–	9
<b>Total Property and equipment</b>	<b>56,870</b>	<b>58,518</b>	<b>63,676</b>
<b>Investment and other assets:</b>			
Investment securities:			
Unconsolidated subsidiaries and affiliates	558	563	134
Others	2,181	2,655	2,210
Deferred income taxes	1,278	1,287	1,029
Other assets	3,461	2,978	2,873
Less: Allowance for doubtful accounts	(1,087)	(930)	(893)
<b>Total investments and other assets</b>	<b>6,391</b>	<b>6,553</b>	<b>5,353</b>
<b>Total assets</b>	<b>¥97,785</b>	<b>¥96,435</b>	<b>¥107,861</b>
			<b>\$1,146,600</b>
<b>Liabilities and Shareholders' equity</b>			
<b>Current liabilities:</b>			
Short-term bank loans	¥1,369	¥1,259	¥9,702
Current portion of long-term debt	11,200	11,240	10,744
Notes and accounts payables, trade	11,995	13,151	12,447
Accounts payable, other	3,134	3,633	4,235
Accrued income taxes	435	15	1,614
Accrued bonuses	413	464	620
Other current liabilities	1,576	857	2,028
<b>Total current liabilities</b>	<b>30,122</b>	<b>30,619</b>	<b>41,390</b>
<b>Non-current liabilities:</b>			
Long-term debt	27,876	27,021	24,612
Account payable, other	87	338	273
Reserve for retirement benefits	1,250	1,320	1,391
Other liabilities	626	595	2,069
<b>Total non-current liabilities</b>	<b>29,839</b>	<b>29,274</b>	<b>28,345</b>
<b>Contingent liabilities</b>			
<b>Shareholders' equity</b>			
Common stock	9,697	9,697	9,697
Capital surplus	10,961	10,961	10,961
Retained earnings	16,678	15,335	16,590
Treasury stock	(24)	(24)	(25)
Unrealized holding gain on securities	141	235	334
Foreign currency translation adjustments	–	–	(19)
Minority interests	371	338	588
<b>Total shareholders' equity</b>	<b>37,824</b>	<b>36,542</b>	<b>38,126</b>
<b>Total liabilities and shareholders' equity</b>	<b>¥97,785</b>	<b>¥96,435</b>	<b>¥107,861</b>
			<b>\$1,146,600</b>

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥94.07=US\$1, the approximate exchange rate on April 30, 2010.

## Interim Consolidated Statements of Income

	Millions of yen		Thousands of U.S. dollar (Note)	
	Prior fiscal year interim period (From November 1, 2008 to April 30, 2009)	Prior fiscal year period (From November 1, 2008 to October 31, 2009)	Current fiscal year interim period (From November 1, 2009 to April 30, 2010)	Current fiscal year interim period (From November 1, 2009 to April 30, 2010)
<b>Revenue</b>				
Rentals	¥23,398	¥44,616	¥26,096	\$277,408
Sales	9,192	19,248	11,047	117,431
	32,590	63,864	37,143	394,839
<b>Cost of sales</b>				
Rentals	16,020	31,090	17,190	182,731
Sales	7,222	15,824	7,955	84,564
	23,242	46,914	25,145	267,295
<b>Gross profit</b>	9,349	16,950	11,998	127,544
<b>Selling, general and administrative expenses</b>	8,427	16,813	8,802	93,574
<b>Operating income</b>	922	137	3,196	33,970
<b>Other income (expense):</b>				
Interest and dividend income	35	83	20	216
Interest expenses	(200)	(456)	(362)	(3,849)
Loss on devaluation of investment securities	(586)	(436)	(4)	(44)
Impairment loss	0	0	–	–
Other, net	(3)	(482)	192	2,046
<b>Income before income taxes and minority interests</b>	168	(1,154)	3,042	32,339
<b>Income taxes:</b>				
Current	403	223	1,561	16,596
Deferred	(183)	(285)	(73)	(778)
	219	(62)	1,488	15,818
<b>Minority interests in subsidiaries</b>	93	66	38	409
<b>Net income (loss)</b>	¥(144)	¥(1,158)	¥1,516	\$16,112
		Yen		Thousands of U.S. dollar (Note)
	Prior fiscal year interim period (From November 1, 2008 to April 30, 2009)	Prior fiscal year period (From November 1, 2008 to October 31, 2009)	Current fiscal year interim period (From November 1, 2009 to April 30, 2010)	Current fiscal year interim period (From November 1, 2009 to April 30, 2010)
<b>Per share of common stock</b>				
Net income (loss)				
Basic	¥(4.38)	¥(35.28)	¥46.15	\$0.49
Diluted	–	–	–	–

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥94.07=US\$1, the approximate exchange rate on April 30, 2010.

**Interim consolidated Statements of Cash Flows**

	Millions of yen		Thousands of U.S. dollars (Note)	
	Prior fiscal year interim period (From November 1, 2008 to April 30, 2009)	Prior fiscal year period (From November 1, 2008 to October 31, 2009)	Current fiscal year interim period (From November 1, 2009 to April 30, 2010)	Current fiscal year interim period (From November 1, 2009 to April 30, 2010)
<b>Cash flows from operating activities:</b>				
Net income before income taxes and minority interests	¥168	¥(1,154)	¥3,042	\$32,339
Adjustments for:				
Depreciation expenses	2,231	5,093	3,684	39,165
Impairment loss	0	0	–	–
Loss on disposal or sales of property and equipment	30	108	38	408
Acquisition of rental equipment	(2,234)	(4,113)	(2,052)	(21,815)
Loss on devaluation of investments in securities	586	436	4	44
Loss (gain) on sales of investments in securities	2	2	(154)	(1,635)
Provision (reversal of provision) for allowance of doubtful accounts	118	(99)	(91)	(972)
Provision for accrued pension and severance costs	95	165	70	749
Interest and dividend income	(35)	(83)	(20)	(216)
Interest expenses	200	617	451	4,799
Decrease in trade receivables	2,062	1,500	684	7,266
Decrease (Increase) in inventories	210	167	(13)	(135)
Decrease in trade payables	(1,353)	(836)	(1,195)	(12,703)
Other, net	840	1,419	1,273	13,531
Subtotal	2,920	3,222	5,721	60,825
Interest and dividend income received	36	86	20	216
Interest expenses paid	(298)	(623)	(413)	(4,388)
Income taxes paid	(11)	(609)	247	2,623
Net cash provided by operating activities	2,647	2,076	5,575	59,276
<b>Cash flows from investing activities:</b>				
Payments for purchase of investment securities	(515)	(675)	(15)	(157)
Proceeds from sales of investments securities	52	52	774	8,225
Payment for purchase of property and equipment	(1,696)	(2,287)	(76)	(803)
Other, net	(129)	(282)	46	488
Net cash (used in) provided by investing activities	(2,288)	(3,192)	729	7,753
<b>Cash flows from financing activities:</b>				
Increase in short-term bank loans, net	138	28	7,536	80,112
Proceeds from long-term debt	8,000	12,761	2,009	21,356
Repayments of long-term debt	(5,423)	(11,119)	(5,599)	(59,516)
Repayments of obligation under installment purchases	(1,800)	(3,389)	(2,077)	(22,080)
Repayments of lease obligations	–	–	(194)	(2,067)
Cash dividends paid	(326)	(656)	(328)	(3,484)
Other, net	(1)	(64)	(1)	(6)
Net cash provided by (used in) financing activities	588	(2,439)	1,346	14,315
Effect of exchange rate changes on cash and cash equivalents	–	–	3	29
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>947</b>	<b>(3,555)</b>	<b>7,653</b>	<b>81,373</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>17,567</b>	<b>17,567</b>	<b>14,086</b>	<b>149,740</b>
Increase in cash and cash equivalents from newly consolidated subsidiaries	–	–	185	1,968
Increase in cash and cash equivalents resulting from merger of subsidiaries	25	74	–	–
<b>Cash and cash equivalents at end of the year</b>	<b>¥18,539</b>	<b>¥14,086</b>	<b>¥21,924</b>	<b>\$233,081</b>

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥94.07=US\$1, the approximate exchange rate on April 30, 2010.



## Interim Consolidated Statements of Shareholders' Equity

	Thousands of shares	Millions of yen							
	Number of shares of common stock	Common stock	Capital surplus	Retained earnings	Treasury stock	Net unrealized holding gains on securities	Foreign currency translation adjustments	Minority interests	Total net assets
Balance at October 31, 2008	32,872	¥9,697	¥10,961	¥17,150	¥(23)	¥162	–	¥255	¥38,202
Net income	–	–	–	(144)	–	–	–	–	(144)
Cash dividends	–	–	–	(328)	–	–	–	–	(328)
Acquisition of treasury stock	–	–	–	–	(1)	–	–	–	(1)
Net changes in items except shareholders' equity	–	–	–	–	–	(21)	–	116	95
<b>Balance at April 30, 2009</b>	<b>32,872</b>	<b>9,697</b>	<b>10,961</b>	<b>16,678</b>	<b>(24)</b>	<b>141</b>	<b>–</b>	<b>371</b>	<b>37,824</b>
Balance at October 31, 2008	32,872	¥9,697	¥10,961	¥17,150	¥(23)	¥162	–	¥255	¥38,202
Net income	–	–	–	(1,158)	–	–	–	–	(1,158)
Cash dividends	–	–	–	(657)	–	–	–	–	(657)
Acquisition of treasury stock	–	–	–	–	(1)	–	–	–	(1)
Net changes in items except shareholders' equity	–	–	–	–	–	73	–	83	156
<b>Balance at October 31, 2009</b>	<b>32,872</b>	<b>¥9,697</b>	<b>¥10,961</b>	<b>¥15,335</b>	<b>¥(24)</b>	<b>¥235</b>	<b>–</b>	<b>¥338</b>	<b>¥36,542</b>
Balance at October 31, 2009	32,872	¥9,697	¥10,961	¥15,335	¥(24)	¥235	–	¥338	¥36,542
Net income	–	–	–	1,516	–	–	–	–	1,516
Cash dividends	–	–	–	(328)	–	–	–	–	(328)
Change of scope of consolidation	–	–	–	67	–	–	–	–	67
Acquisition of treasury stock	–	–	–	–	(1)	–	–	–	(1)
Net changes in items except shareholders' equity	–	–	–	–	–	99	(19)	250	330
<b>Balance at April 30, 2010</b>	<b>32,872</b>	<b>¥9,697</b>	<b>¥10,961</b>	<b>¥16,590</b>	<b>¥(25)</b>	<b>¥334</b>	<b>¥(19)</b>	<b>¥588</b>	<b>¥38,126</b>

Thousands of U.S. dollars (Note)

	Common stock	Capital surplus	Retained earnings	Treasury stock	Net unrealized holding gains on securities	Foreign currency translation adjustments	Minority interests	Total net assets
Balance at October 31, 2009	\$103,080	\$116,518	\$163,013	\$(255)	\$2,505	–	\$3,592	\$388,453
Net income	–	–	16,112	–	–	–	–	16,112
Cash dividends	–	–	(3,484)	–	–	–	–	(3,484)
Change of scope of consolidation	–	–	719	–	–	–	–	719
Acquisition of treasury stock	–	–	–	(6)	–	–	–	(6)
Net changes in items except shareholders' equity	–	–	–	–	1,043	(200)	2,653	3,496
<b>Balance at April 30, 2010</b>	<b>\$103,080</b>	<b>\$116,518</b>	<b>\$176,360</b>	<b>\$(261)</b>	<b>\$3,548</b>	<b>\$(200)</b>	<b>\$6,245</b>	<b>\$405,290</b>

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥94.07=US\$1, the approximate exchange rate on April 30, 2010.

平成21年10月期通期業績予想の修正並びに特別損失について発表

2009.11

Announcement concerning revision of projected full-year operating results for the fiscal year ended October 31, 2009 and extraordinary loss

第45期(2009年10月期)決算発表、説明会・1on1を実施

決算発表の翌週には、兜町平和ビルのセミナールームで機関投資家向け説明会並びに1on1を開催しました。代表取締役社長の金本寛中から新長期5カ年計画について、取締役執行役員経理部長の卯辰伸人から決算概要や来期見通しなどについてご説明しました。



Financial Statements Bulletin for the 45th Business Period (Business Period ended October 2009) released, and investor briefings and 1-on-1 meetings held

In the week following the release of its financial statements, Kanamoto held briefings and 1-on-1 meetings for institutional investors at the seminar room in the Kabutocho Heiwa Building. President and CEO Kanchu Kanamoto described Kanamoto's new 5-year Long-term Plan, and Nobuhito Utatsu, Director and Corporate Officer and the Division Manager of Kanamoto's Accounting Division, provided a summary of the Company's operating results and outlook for the next period.

札幌で個人投資家説明会を開催

決算発表後すぐに個人投資家説明会を開催しました。会場となった札幌パークホテルのエメラルドホールには、三菱UFJ証券札幌支店のご協賛により、忙しい時期にもかかわらず大勢の皆様にお集まりいただきました。

2009.12

Individual investor briefing held in Sapporo

Kanamoto held a briefing for individual investors immediately after releasing its operating results. With the support of the Mitsubishi UFJ Securities Co., Ltd. Sapporo Branch, the venue at Sapporo Park Hotel's Emerald Hall was heavily attended by investors and interested individuals despite being held during the mid-December busy season.

平成21年10月期の各期決算短信の一部訂正について発表

Announcement concerning partial revision of the Consolidated Financial Report for each quarter of the Business Period ended October 2009

剰余金の処分について発表

Announcement of disposition of surplus

ラジオNIKKEIの投資家向け番組「夕焼けマーケット」に出演

平日の夕方に放送されているラジオ NIKKEIの「夕焼けマーケット 投資って楽しいねっ!」に、昨年9月に注目株としてカナモトを取り上げていただいて以来、本年1月、3月、6月にも広報活動の一環として出演させていただきました。



2010.1

Appearance on the radio NIKKEI investor program "Evening Markets"

Appeared on Radio NIKKEI's weekday evening program "Evening Markets - Investments are Fun" as part of Kanamoto's public relations activities for January, March and June 2010 since that program looked at Kanamoto last September as a noteworthy stock.

第45回定時株主総会を開催

1月28日、当社本社ビルで第45回定時株主総会を開催しました。大勢の株主様にご来場いただき、上程しました議案は満場一致で可決しました。

45th Regular General Meeting of the Shareholders held

The Company convened its 45th Regular General Meeting of the Shareholders at the Kanamoto Head Office building on January 28. The meeting was attended by many shareholders, who unanimously passed the resolutions on the agenda.

ナラサキリース株式会社、青森ナラサキレンタルの吸収合併について発表

2010.2

Announcement of absorption-type merger with Narasaki Lease Co., Ltd. and Aomori Narasaki Rental Co., Ltd.

タームアウト型リボルビング・クレジット・ファシリティを設定

2月10日、極度額150億円のタームアウト型リボルビング・クレジット・ファシリティを設定しました。コミットメント期間内は融資枠で資金調達および返済をフレキシブルに活用し、コミットメント期間終了時点における残高をタームアウト借入(長期借入)に移行できるものです。

Revolving credit facility agreement with term-out option established

Kanamoto established a revolving credit facility agreement with a term-out option for a maximum funding limit of ¥15.0 billion on February 10. The funding facility enables the Company to flexibly borrow and repay funds under a credit line during the commitment period, then shift the outstanding balance at the end of the commitment period to debt with a fixed-term maturity.

### IRイベント・セミナー、個人投資家説明会などのIR活動を積極的に展開

2月にIRフォーラム2010大阪に、3月には東証IRフェスタ、札幌証券取引所主催の上場会社合同説明会に出展したほか、日興コーディアル証券札幌支店で個人投資家説明会を開催するなどIR活動を積極的に展開しました。



### 第46期(2010年10月期)第1四半期決算発表

#### カナモト夢の大3月祭を開催

3月16～20日の5日間、北海道地区空知ブロックと道北ブロックの各営業所合同で「カナモト夢の大3月祭」と称して中古アイテムの展示即売会を開催しました。

#### 入社式・新人研修を執り行いました

4月1日、本社7Fホールで入社式を開催しました。本年は27名がカナモトの新戦力として入社。19日間の新人研修を経て、現在はそれぞれの配属部署で研鑽を積んでいます。



#### 今年も各地で開催、カナモトサンクスフェア2010

毎年ご盛況いただいているカナモトサンクスフェア。4月の北見・釧路を皮切りにスタートし、5カ月間で北海道地区・東北地区の11カ所で開催しました。今後は9月に旭川での開催を予定しています。お近くの皆様、当社HPで詳細をご確認のうえ、ぜひご来場ください。

#### 平成22年10月期業績予想修正について発表

#### 第46期(2010年10月期)第2四半期決算発表、説明会・1on1を実施

決算発表の翌週には、兜町平和ビルのセミナールームで機関投資家向け説明会並びに1on1を開催しました。取締役執行役員経理部長の卯辰伸人から第2四半期の決算概要や通期見通しについて、社長室広報担当課長の高山雄一から建機レンタル業界の概況や当社の海外展開などについてご説明いたしました。



#### 札幌で個人投資家向けセミナーに参加

日本証券新聞社主催の個人投資家向けセミナーに当社も参加しました。お集りいただいた約200名の皆様に、当社の事業概要や海外展開のほか、建機レンタル業界などについてご説明しました。

2010.2

### Kanamoto aggressively developed IR activities including IR events and seminars and individual investor briefings

In addition to presenting in February at IR Forum 2010 Osaka and in March at Tokyo Stock Exchange IR Festa and the Listed Company Combined Briefings sponsored by the Sapporo Securities Exchange, Kanamoto aggressively developed IR activities including a briefing held for individual investors at Nikko Cordial Securities' Sapporo Branch.

2010.3

### Three-month Consolidated Financial Report for the Fiscal Year ending October 31, 2010 released

#### Kanamoto Dream Big March Festival held

Kanamoto's used equipment exhibition and sale, dubbed the Kanamoto Dream Big March Festival, was held over five days on March 16-20 in the Hokkaido Region with the cooperation of branches in the Sorachi Block and Dohoku Block.

#### Initiation ceremony and new employee training held

Kanamoto held its new employee initiation ceremony in the 7F hall at the Company's Head Office on April 1. This year 27 individuals joined the Company, bringing new talent to Kanamoto. The new hires currently are honing their skills through 19-day new employee training at the divisions to which they've been assigned.

2010.4

### Kanamoto Customer Thanks Fair 2010 to be held this year in various regions

The Kanamoto Customer Thanks Fair is a major annual event. Beginning in Kitami and Kushiro in April, the fair will be convened in 11 locations in the Hokkaido Region and Tohoku Region over a five-month period. The Company plans to hold the next fair in Asahikawa in September. People living or working near the fair venues are invited to visit the fair after confirming the details on Kanamoto's website.

2010.5

### Announcement concerning revision of projected full-year operating results for the Business Period Ending October 2010

### Financial statements for the Second Quarter of the 46th Business Period (Business Period Ending October 2010) released, and briefings and 1-on-1s held

In the week following the release of its financial statements, Kanamoto held briefings and 1-on-1 meetings for institutional investors at the seminar room in the Kabutocho Heiwa Building. Nobuhito Utatsu, Director and Corporate Officer and the Division Manager of Kanamoto's Accounting Division, provided a summary of the interim settlement of accounts and discussed the outlook for the full year, and Yuichi Takayama, Manager of Investor and Public Relations in the Office of the President, gave an overview of conditions in the construction equipment rental industry and explained Kanamoto's overseas development efforts.

2010.6

2010.7

### Participation in seminar for individual investors in Sapporo

Kanamoto also participated in a seminar for individual investors sponsored by Nihon Securities Journal. Kanamoto provided a summary of its business and overseas development, and described the construction equipment rental industry, to approximately 200 individuals who attended the seminar.



## 拠点ネットワーク Branch Network

当社および当社グループ国内営業拠点エリア別内訳 (2010年6月現在)  
 Kanamoto and the Group companies' operating branches in Japan (as of June 2010)

	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		計 Total
	当社単独 Kanamoto Co., Ltd.	連結子会社 Consolidated subsidiaries	当社単独 Kanamoto Co., Ltd.	連結子会社 Consolidated subsidiaries	当社単独 Kanamoto Co., Ltd.	連結子会社 Consolidated subsidiaries	
北海道 Hokkaido	68	18	3	0	0	0	89
東北 Tohoku	50	2	0	0	0	0	52
関東 Kanto	29	5	0	0	1	0	35
中部 Chubu	17	0	0	0	0	0	17
近畿 Kinki	4	11	0	0	0	0	15
中国 Chugoku	1	0	0	0	0	0	1
四国 Shikoku	1	0	0	0	0	0	1
九州 Kyushu	0	31	0	0	0	0	31
計 Total	237		3		1		241

- 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 Consolidated Subsidiaries

- 株式会社アシスト Assist Co., Ltd.
- 株式会社エスアール・ジー カナモト SRG Kanamoto Co., Ltd.
- 株式会社カナテック Kanatech Co., Ltd.
- 第一機械産業株式会社 Daiichi Machine Industries Co., Ltd.
- 株式会社カンキ Kanki Corporation
- 株式会社九州建産 Kyushu Kensan Co., Ltd.
- 東洋工業株式会社 Toyo Industry Co., Ltd.
- 株式会社カナモトエンジニアリング Kanamoto Engineering Co., Ltd.
- 上海金和源設備租賃有限公司 Shanghai Jinheyuan Equipment Rental Co., Ltd.
- 上海金和源建設工程有限公司 Shanghai Jinheyuan Engineering Construction Co., Ltd.
- SJ Rental, Inc.

### ■ 非連結子会社 Non-consolidated Subsidiaries

- 株式会社コムサプライ Comsupply Co., Ltd.
- フローテクノ株式会社 Flowtechno Corporation
- 株式会社センターコーポレーション Center Corporation
- 株式会社 KG マシナリー KG Machinery Co., Ltd.
- 金本 (香港) 有限公司 KANAMOTO (HK) CO., LTD.

### ■ アライアンス提携会社 Alliance Companies

- 町田機工株式会社 Machida Kikou Co., Ltd.
- ツールレンタル事業\* 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。

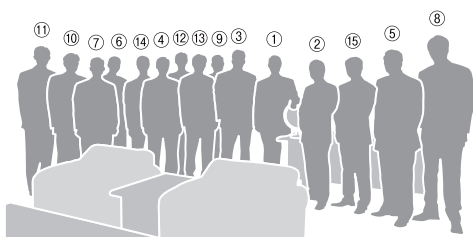
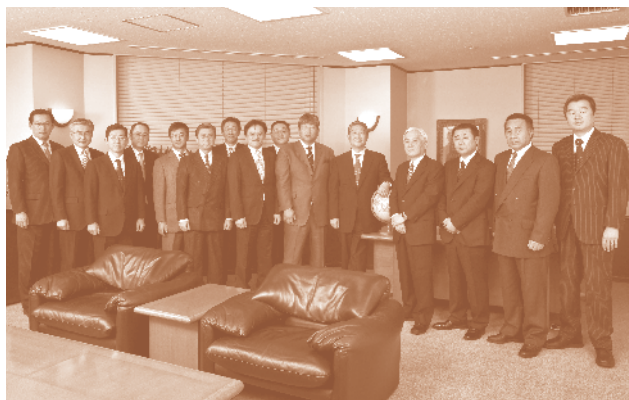
\* Kanamoto is developing the small equipment and tools rental business in cooperation with Japan's DIY leader Komeri Co., Ltd.



海外での展開  
 中国とグアムに拠点展開しているほか、ベトナム、シンガポール、アルジェリア、UAE、環太平洋域でも建機レンタルを実施しています。

Overseas development  
 In addition to developing bases in China and Guam, Kanamoto is also implementing construction equipment rentals in Vietnam, Singapore, Algeria, UAE and the Pacific Rim region.

取締役・執行役員 | Directors・Corporate Officers



取締役

- ① 金本 寛中\*  
代表取締役社長
- ② 卯辰 伸人\*  
経理部長
- ③ 金本 哲男\*  
営業統括本部長 レンタル事業部長
- ④ 成田 仁志\*  
業務部長
- ⑤ 平田 政一\*  
レンタル事業部副事業部長  
特販部長
- ⑥ 北方 敬一\*  
情報機器事業部長  
事業開発部長
- ⑦ 磯野 浩之\*  
総務部長  
社長室長
- ⑧ 金本 龍男\*  
レンタル事業部北海道地区統括部長
- ⑨ 長崎 学\*  
レンタル事業部東北地区・  
関東地区統括部長
- ⑩ 麻野 裕一\*  
債権管理部長
- ⑪ 棕梨 直樹\*  
海外事業室長
- ⑫ 門脇 克俊
- ⑬ 上谷内祐二

執行役員

- ⑭ 熊谷 浩  
情報システム部長
- ⑮ 問谷 悟  
レンタル事業部部長 (九州地区担当)

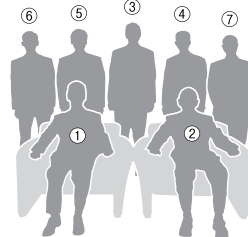
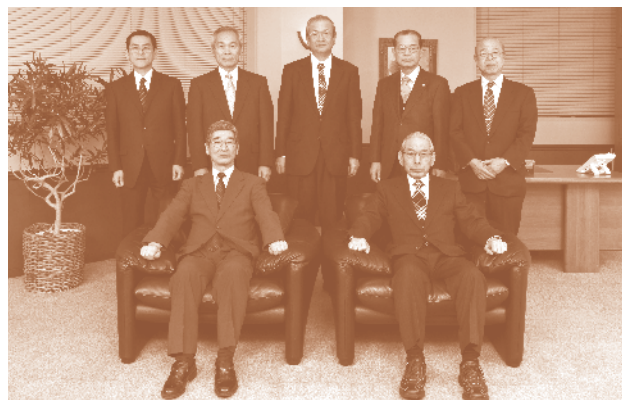
Directors

- Kanchu Kanamoto\***  
President and CEO
- Nobuhito Utatsu\***  
Division Manager, Accounting Division
- Tetsuo Kanamoto\***  
Manager, Business Coordination  
Headquarters Division and Construction  
Equipment Rental Division
- Hitoshi Narita\***  
Division Manager, Business Management  
Planning Division
- Masakazu Hirata\***  
Deputy Division Manager, Construction  
Equipment Rental Division  
Division Manager, Used Products Sales  
Division
- Keiichi Kitakata\***  
Division Manager, Information Products  
Division and Market Development Division
- Hiroyuki Isono\***  
Division Manager, Administration Division  
General Manager, Office of the President
- Tatsuo Kanamoto\***  
Regional Manager, Hokkaido Region  
Construction Equipment Rental Division
- Manabu Nagasaki\***  
Regional Manager, Tohoku Region and  
Kanto Region Construction Equipment  
Rental Division
- Yuichi Asano\***  
Division Manager, Credit Management  
Division
- Naoki Mukunashi\***  
Manager, Overseas Business Office
- Katsutoshi Kadowaki**
- Yuji Kamiyauchi**

Corporate Officers

- Hiroshi Kumagai**  
Division Manager, Information System  
Division
- Satoru Toiya**  
Regional Manager, Kyushu Region  
Construction Equipment Rental Division

監査役 | Auditors



監査役

- ① 奥村 敏三  
常勤監査役
- ② 澤田 紳六  
常勤監査役
- ③ 金本 栄中  
常勤監査役
- ④ 橋本 昭夫☆  
常勤監査役
- ⑤ 辻 清宏☆  
監査役
- ⑥ 大津 秀人  
監査役
- ⑦ 直井 皖☆  
監査役

Auditors

- Toshizo Okumura**  
Standing Corporate Auditor
- Shinroku Sawada**  
Standing Corporate Auditor
- Eichu Kanamoto**  
Standing Corporate Auditor
- Akio Hashimoto☆**  
Standing Corporate Auditor
- Kiyohiro Tsuji☆**  
Outside Corporate Auditor
- Hideto Ootsu**  
Outside Corporate Auditor
- Akira Naoi☆**  
Outside Corporate Auditor

- (注1) \*印の取締役は、執行役員を兼任しております。
- (注2) 門脇克俊氏及び上谷内祐二氏は、会社法第2条第15号に定める社外取締役であります。
- (注3) 監査役の橋本昭夫氏及び辻清宏氏及び大津秀人氏、直井皖氏は、会社法第2条第16号に定める社外監査役であります。
- (注4) 役職名は当社におけるもののみを記載しており、一部兼務役職を省略しております。
- (注5) ☆印の橋本昭夫氏及び辻清宏氏及び直井皖氏は、東京証券取引所並びに札幌証券取引所で定める有価証券上場規定等の一部改正による独立役員に、本年3月29日に指定されております。

1. Asterisk indicates directors who hold the additional post of corporate officer.
2. Katsutoshi Kadowaki and Yuji Kamiyauchi fulfill the requirements for Outside Directors as stipulated by Article 2-15 of the Company Law.
3. Outside Auditors Akio Hashimoto, Kiyohiro Tsuji, Hideto Ootsu and Akira Naoi are outside auditors as stipulated by Article 2-16 of the Company Law.
4. Only the position titles at Kanamoto are shown, and official positions being performed concurrently have been omitted.
5. Akio Hashimoto, Kiyohiro Tsuji and Akira Naoi were appointed as Independent Directors on March 29, 2010 based on the partial amendment of the Negotiable Securities Listing Regulations Etc. provided by the Tokyo Stock Exchange and the Sapporo Securities Exchange.

商号

株式会社 **カナモト**

本社所在地

北海道札幌市中央区大通東3丁目1番地19

設立

1964年(昭和39年)10月28日

資本金

96億96百万円(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)

連結売上高

638億63百万円(2009年10月期)

連結従業員数

1,814名(2010年4月30日現在)  
(役員、嘱託、臨時社員を除く)

事業内容

建設機械器具のレンタル、鉄鋼製品の販売、エンジニアリングワークステーションおよび周辺機器のレンタル

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 thousand

Fiscal Year-end

October 31

Consolidated Revenues

¥63,863 million  
(Fiscal year ended October 31, 2009)

Number of Consolidated Employees

1,814(As of April 30, 2010)  
(Excluding directors and temporary or part-time workers)

Principal Businesses

Rental of construction equipment  
Sale of steel products  
Rental of engineering workstations and computer peripherals



本社ビル  
Headquarters Building  
(Sapporo, Hokkaido)



東京本部(営業統括本部)  
Tokyo Headquarters  
(Business Coordination  
Headquarters)



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**kanamoto co., ltd.**

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

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