

kanamoto co., ltd.

Semiannual Report 2011
For the 6 months ended April 30,

We will never give up.



■ ■ ■ ミッションステートメント ■ ■ ■

これまでの経験を生かし、日本の復興復旧に全力で取り組むとともに、
成長の可能性を追求していきます。

カナモトは、日本経済の発展とともに成長の軌跡を描いてまいりました。今日あるカナモトが、インフラ整備と数々の災害復旧に、全力で駆けて抜けてきた証であります。

いま私たちが為すべきこと。それは、東日本を襲ったかつてない大規模な震災にしっかりと向き合い、復旧復興のお手伝いを全力で行うことだと考えます。

もうひとつの使命、それは成長し続けること。中国という巨大市場での収益拡大、発展著しい新興国への進出など、海外事業も引き続き注力してまいります。

■ ■ ■ Mission Statement ■ ■ ■

Working to speed Japan's reconstruction and recovery to the best of our abilities and pursuing our potential for growth, by taking maximum advantage of our past experience.

Hand in hand with Japan's economic development, Kanamoto has blazed its own path to growth. From the construction of infrastructure to the provision of assistance for recovery from multiple disasters, Kanamoto as it exists today is proof that we have come through by incessantly working to the best of our abilities.

What must we do now? The answer is clear: resolutely face the destruction delivered by the unprecedented, large-scale earthquake that devastated eastern Japan, and assist the reconstruction and recovery effort with our total strength.

At the same time we have an additional mission, and that is to maintain our growth. We will continue to focus resources on our overseas operations, expanding our earnings in the massive Chinese market and advancing into newly emerging markets that exhibit remarkable development.

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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.



このたびの東日本大震災により被災されました皆様には、心よりお見舞い申し上げますとともに、一日も早い復興をお祈りいたします。

ここに、2011年10月期第2四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。

当期の日本経済は、新興国の景気拡大と先進国の景気刺激策により、輸出に持ち直しの動きがあり、緩やかな上昇過程にありましたが、3月11日の東日本大震災以降、工場設備の被災によるサプライチェーンの寸断と強制節電のもたらす生産水準の低下に見舞われました。福島原発事故の終息見通しも立たず、混迷を続ける政治動向も消費者心理の悪化に輪をかけています。

当社では東日本大震災直後から、災害時応援協定を締結している自治体・公共機関からの要請に基づき、支援機材・物資の搬入を行い、以降も大量の建機・機材を被災地に投入し、復興の一翼を担っております。

東日本大震災後、当社の主要顧客である建設業においては、瓦礫処理のみならず、鉄道・道路などの交通網回復の主役として大きな成果をあげ、今後も、復旧・復興の実動部隊として重要な役割を期待されております。

このような状況下、建設業の装備を一手に引き受けている建機レンタル業の果たすべき責務は重大であります。今後も重要な社会インフラとしての自覚を持って業務に取り組んでまいります。

また、中長期的な成長エンジンとして位置づけている海外事業については、引き続き中国事業の拡大に注力し、中国本土・香港での旺盛な需要を的確に取り込み、収益拡大に努めます。

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

On behalf of Kanamoto, I'd like to express our sincere and heartfelt sympathies to everyone who suffered a loss from the disaster caused by the Great East Japan Earthquake, and offer our prayers for a quick recovery.

I am pleased to have this opportunity to report on the activities of Kanamoto Co., Ltd. during the second quarter of the Business Period ending October 31, 2011 and discuss our policies for the future.

During this period, exports exhibited a recovery trend and Japan's economy entered a gradual expansionary phase that was driven by economic growth in newly developing countries and the economic stimulus measures enacted by advanced nations. Following the Great East Japan Earthquake on March 11, however, the economy was battered by a plunge in production levels that was caused by disruptions in the supply chain and compulsory electric power black-outs resulting from damage to power station facilities. The deterioration in consumer sentiment was further compounded by the lack of a specific final outlook for the Fukushima nuclear power station accident, and a political climate that remains unsettled.

Immediately following the Great East Japan Earthquake, Kanamoto delivered support equipment and materials to the stricken area based on requests from municipal governments and public entities that had concluded agreements with Kanamoto for assistance in the event of a disaster. We subsequently have moved large amounts of construction equipment and materials to the disaster area, where we are playing an active role in the recovery effort.

In the wake of the Great East Japan Earthquake the construction industry, the leading customer for Kanamoto's services, has achieved significant results not only in clearing away debris but also as a linchpin for restoration of transportation links, including railways and roads, and is expected to fulfill a vital role in the future as a workhorse for restoration and recovery.

Given these circumstances, the construction equipment rental industry has an important obligation to exclusively supply the equipment required by the construction industry. In the months ahead, we will pursue our activities with a reinvigorated awareness of our role as a vital cornerstone of society's infrastructure.

With regard to our overseas operations, which we have positioned as a medium to long-term growth engine, we will continue to focus on the expansion of our China business and seek to expand earnings by precisely addressing the vigorous demand in mainland China and Hong Kong.

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

Kanachu 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, 2010	April 30, 2011	April 30, 2011
連結経営成績	Consolidated operating results			
売上高	Rental revenues and sales of goods	¥37,142	¥35,309	\$430,183
営業利益	Operating income	3,195	1,724	21,011
経常利益	Ordinary income	2,924	1,408	17,157
特別損失	Extraordinary losses	173	1,013	12,351
四半期純利益	Net income	1,515	49	600
自己資本利益率	ROE	3.9%	0.1%	
連結財政状態	Consolidated financial position			
総資産	Total assets	107,860	111,959	1,364,029
純資産	Shareholders' equity	38,125	37,079	451,750
自己資本比率	Shareholders' equity ratio	34.8%	32.6%	
1株当たり純資産(円)	Shareholders' equity per share (yen)	1,143.19	1,112.19	13.55
連結キャッシュ・フローの状況	Consolidated cash flows			
営業活動によるキャッシュ・フロー	Cash flow from operating activities	5,575	5,623	68,507
投資活動によるキャッシュ・フロー	Cash flow from investing activities	729	-701	-8,544
財務活動によるキャッシュ・フロー	Cash flow from financing activities	1,346	-3,035	-36,987
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	21,925	22,638	275,807

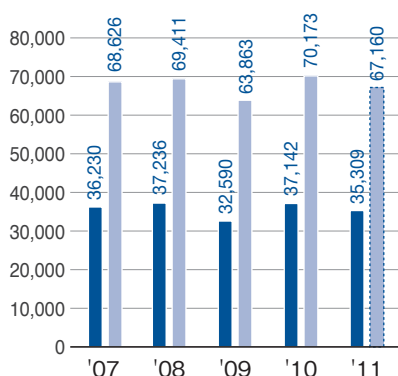
		円 Yen		ドル U.S. dollars (Note)
		April 30, 2010	April 30, 2011	April 30, 2011
1株当たり情報	Information per share of common stock			
四半期純利益	Net income	¥46.15	¥1.50	\$0.01
第2四半期末配当金	Dividends per share	10.00	10.00	0.12

*表示されている米ドル金額は、2011年4月28日現在のおおよその実勢為替レート1ドル=82.08円により換算しています。

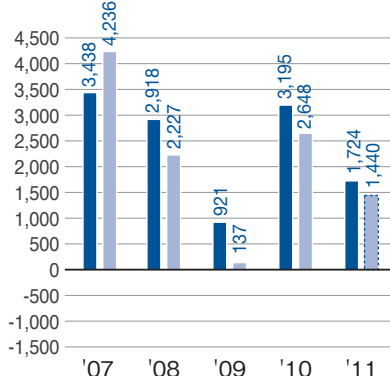
Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥82.08=US \$1, the approximate exchange rate on April 28, 2011.

■ 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

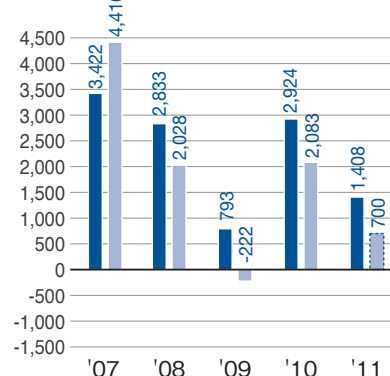
売上高 Revenues



営業利益 Operating Income



経常利益 Ordinary Income



財務トピックス

売上高

国内建設投資の減少により、建機レンタルも激しい業者間競争が各地で広がり、収益確保に苦戦を強いられたこともあり、売上高は前年同四半期比4.9%減となりました。

特別損失

東日本大震災の発生により、被災した営業所建物等の固有資産の減失・修理で182百万円、レンタル用資産（建機等）の減失・修理で525百万円、復旧支援費用で17百万円の計724百万円を災害による損失として計上しております。

営業利益、経常利益

震災対応を考慮して中古建機売却を一部順延したことによる収益減少の影響から、営業利益は同46.0%減、経常利益は同51.8%減でした。

四半期純利益

震災の影響を受けた営業所建物やレンタル用資産（建機等）の一部が罹災、この罹災相当額を損失計上したことから前年同期比96.7%減と大きく後退する結果となりました。

Financial Topics

Revenues

Revenues were affected by severe competition among firms for construction equipment rentals, which further spread to various regions and resulted from a drop in domestic construction investment, and the intense struggle to secure rentals, which caused revenues to slip 4.9% compared with the same period one year earlier.

Extraordinary losses

The Company reported a total of ¥724 million as disaster-related losses. This included losses and repairs of ¥182 million for company-owned assets such as branch office buildings and structures plus losses and repairs of ¥525 million for rental equipment (construction equipment etc.) that were damaged by the Great East Japan Earthquake, and restoration support costs of ¥17 million.

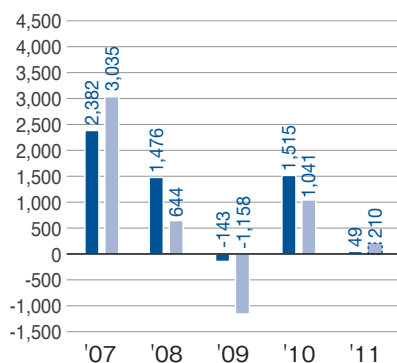
Operating income and ordinary income

Operating income fell 46.0% year-on-year, and ordinary income decreased 51.8% compared with the same period one year earlier. This reflected the impact of lower earnings from a partial postponement of used construction equipment sales, in light of the need to re-direct equipment to earthquake recovery efforts.

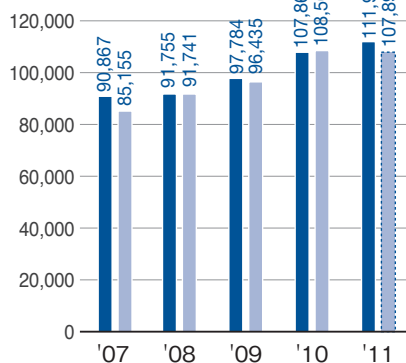
Net income

Some of the Company's branch office buildings and rental assets (construction equipment etc.) were damaged or destroyed by the earthquake disaster, and the Company recorded an amount equivalent to this damage as a loss. As a result, net income retreated sharply, declining 96.7% compared with the interim period of the prior consolidated fiscal year.

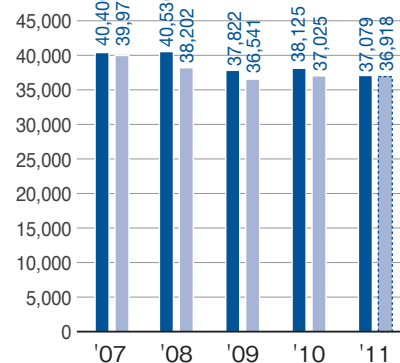
四半期(当期)純利益 Net Income



総資産 Total Assets



純資産 Shareholders' Equity



【経営環境】

当社グループの第2四半期の日本経済は、安定した海外景気動向と外需主導による大手企業の好業績から、消費刺激策や新たな景気浮揚策がない状況が続いたものの、地方経済に広がる閉塞感とは裏腹に、総じて楽観的な景況感が漂いました。しかし、3月11日の東日本大震災の発生により、その様相も一変し、一気に緊迫感に包まれました。震災対応へのスピード感や情報の透明さが疑問視され、世界的に経済面の影響が懸念されるなど日本の将来に翳りを落とすこととなりました。

当社グループが属するサービス産業や建設業界にあっては、期初の予想のとおり経済対策効果剥落による地方経済の悪化が顕著でありました。また、震災後は、民間ベースでは相応の進展を見せたものの、官民一体となった復興方針、体制がなかなか整わず、震災復旧作業は遅々として進まないことから先行きの展望が見通せない状況が続きました。

【第2四半期の累計連結業績】

当社グループの業績と経営環境につきましては、6月1日付の業績予想の修正発表のとおり、国内建設投資の減少により、建機レンタルも激しい業者間競争が各地で広がり、収益確保に苦戦を強いられました。当社グループでは、グループ企業が一体となって提案型営業などを積極的に展開し、また、国交省の推進する情報化施工や新型省エネ機を増強するなど建機レンタル資産の構成の見直し・適正化を図り、収益を維持すべく努めました。

収入に関しては、当該期間半ばまでは建設需要の低迷から当初想定していたとおり減収基調で推移いたしました。

また、震災発生以降も、一部地区で災害の影響による建設工事の中断があったこと、立ち入り禁止区域内の営業停止を余

儀なくされたことなどが、直接的な減収要因となりました。また、一方で災害復旧の初期対応と電力不足対応による需要増などの増収要因もありました。

これら増収、減収要因が複雑に絡み合う経営環境の中、グループ内の事業分野や企業間の垣根を越えた協力体制を構築してきた効果も表われ、当社グループ全体のシェアを維持できたことと、レンタル需給改善に伴う価格是正も手伝って、売上高は当初予想を僅かに上回る353億9百万円(前年同期比4.9%減)となりました。

一方、利益面は、震災対応を考慮して中古建機売却を一部順延したことによる収益減少の影響により、営業利益は17億24百万円(同46.0%減)、経常利益は14億8百万円(同51.8%減)となりました。

また、純利益は、被災地域における営業所の建物や同地域で運用中のレンタル用資産(建機等)の一部が罹災、この罹災相当額を被災による損失として計上したこと、49百万円(同96.7%減)と大きく減少する結果となりました。

【セグメントの業績】

建設関連事業

国内の建機レンタルは、昨年来の工事量減少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ました。同事業分野におけるレンタル売上高は前年同期比5.9%減となりました。地域別にみると、北海道地区は経済対策関連工事の終焉と地方経済の減速により官民ともに需要減少が著しい環境が続きましたが、圧倒的なシェアを維持することで第1四半期よりも持ち直し、前年同期比24.9%減となりました。一方、東北地区は大型プロジェクト工事需要に復旧需要が加わり同7.7%増、関東地区は特殊建機が低迷したもの

■連結経営成績

	46期第2四半期	47期第2四半期
売上高	37,142 (14.0)	35,309 (△4.9)
営業利益	3,195 (246.8)	1,724 (△46.0)
経常利益	2,924 (268.4)	1,408 (△51.8)
四半期純利益	1,515 (-)	49 (△96.7)

単位:百万円 括弧内は対前年同四半期増減率(%)

■連結セグメント別売上高

	46期第2四半期	47期第2四半期
建設関連事業	34,654 (15.4)	32,169 (△7.2)
鉄鋼関連事業	2,129 (△8.9)	-
情報通信関連・その他事業	358 (57.8)	-
その他の事業*	-	3,140 (26.2)
合計	37,142 (14.0)	35,309 (△4.9)

単位:百万円 括弧内は対前年同四半期増減率(%)

*当期より会計基準の適用により、鉄鋼関連事業、情報通信関連事業・その他事業を、その他の事業として表示しております。

■連結セグメント別売上高および売上比率



■建設関連事業 91.1%

32,169百万円 (対前年同期比 7.2%減)

■その他の事業 8.9%

3,140百万円 (対前年同期比26.2%増)

の、民需の回復と復旧需要・電源需要で伸長して同2.6%増、震災の影響がなかった近畿中部地区では民間設備投資に牽引され同5.4%増、九州沖縄地区はこれまでの官需に加えて新燃岳対策需要もあって同7.1%増となりました。

また、同事業分野における販売売上高は、復旧復興需要に対応すべく海外向け中古建機売却の一部を順延したことが影響し対前年同期比23.6%減となりました。

一方、海外につきましては、業績に占める割合は些少ですが、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、上海以外にも天津、武漢、南京、寧波など着々と営業エリアを広げましたが、上海万博特需のあった前年実績との差が大きく、その減少を補えませんでした。

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321億69百万円、営業利益は16億17百万円となりました。

その他の事業

北海道で展開する鉄鋼関連事業については、鋼材市況は震災により不足感も手伝って、引き続き高止まりが続きましたが、道内需要は一服し、当第2四半期連結累計期間の売上高対前年同期比は29.3%増となりました。一方、情報通信関連事業はパソコンレンタルの新規開拓が奏功し同7.6%増となりました。

以上の結果、その他の事業の当第2四半期連結累計期間の売上高は31億40百万円、営業利益は14百万円となりました。

[特記すべき事業展開と拠点新設・閉鎖の状況]

当社の当第2四半期連結会計期間における国内拠点の新設・閉鎖は、新設0、閉鎖1で、詳細は以下のとおりです。

- 閉鎖:幕別機械センター(北海道中川郡幕別町)

■通期(2011年10月期)連結業績予想

	前回発表予想数値 (2010年12月8日発表)	47期通期予想
売上高	67,160 (△8.9)	67,160 (△8.9)
営業利益	1,440 (△45.6)	1,440 (△45.6)
経常利益	700 (△66.4)	700 (△66.4)
四半期純利益	210 (△79.8)	210 (△79.8)

単位:百万円 括弧内は対前期増減率(%)

※同じ数値が記載されているのは、右記のとおり、昨年12月8日公表の予想数値を据え置いているためです。

今後の見通し、通期業績予想について

震災以降、東北、関東の被災地での建機レンタル需要は極めて旺盛であること、レンタル料も需給バランス改善から好転していることもあり、下期は相応の収益効果を得られるものと予想されます。しかしながら、一方で全体的な需要規模、需要時期など未だ流動的な側面もあることも事実であるため、通期業績予想につきましては、昨年12月に公表いたしました予想数値を据え置いております。

連結貸借対照表

	第46期 第2四半期末 (2010.4.30)	第46期末 (2010.10.31)	第47期 第2四半期末 (2011.4.30)		第46期 第2四半期末 (2010.4.30)	第46期末 (2010.10.31)	第47期 第2四半期末 (2011.4.30)
(単位:百万円)				(単位:百万円)			
資産の部				負債の部			
流動資産	38,832	38,388	39,383	流動負債	41,390	45,700	40,422
現金及び預金	20,684	20,486	22,373	支払手形及び買掛金	12,447	13,076	14,124
受取手形及び売掛金	14,081	14,987	14,177	短期借入金	9,701	13,415	6,075
有価証券	1,350	350	350	1年内返済予定の 長期借入金	10,461	9,529	10,541
未成工事支出金	16	37	19	1年内償還予定の 社債	22	22	22
商品及び製品	699	606	701	リース債務	-	859	787
原材料及び貯蔵品	159	161	166	未払法人税等	1,613	1,106	493
建設機材	1,010	1,187	1,198	賞与引当金	619	589	619
繰延税金資産	456	360	314	関係会社整理 損失引当金	94	-	-
その他	813	585	470	災害損失引当金	-	-	461
貸倒引当金	△438	△372	△387	未払金	4,495	5,587	6,001
固定資産	69,028	70,120	72,576	その他	1,933	1,514	1,295
有形固定資産	63,675	64,341	66,208	固定負債	28,344	25,783	34,457
レンタル用資産	61,263	62,487	66,233	社債	33	22	11
減価償却累計額	△36,490	△36,740	△38,307	長期借入金	17,527	13,762	20,528
レンタル用資産 (純額)	24,773	25,746	27,926	リース債務	-	1,903	1,868
建物及び構築物	20,833	20,754	20,854	退職給付引当金	1,390	1,341	1,428
減価償却累計額	△12,599	△12,855	△13,183	役員退職慰労引当金	239	205	201
建物及び構築物 (純額)	8,234	7,899	7,671	長期末払金	7,324	8,493	10,218
機械装置及び 運搬具	5,201	5,136	5,122	資産除去債務	-	-	150
減価償却累計額	△4,375	△4,386	△4,428	その他	1,829	55	50
機械装置及び 運搬具(純額)	825	749	693	負債合計	69,735	71,484	74,879
土地	29,545	29,689	29,688	純資産の部			
建設仮勘定	8	-	-	株主資本	37,223	36,420	36,141
その他	1,347	1,332	1,378	資本金	9,696	9,696	9,696
減価償却累計額	△1,058	△1,076	△1,150	資本剰余金	10,960	10,960	10,960
その他(純額)	288	255	228	利益剰余金	16,590	15,788	15,509
無形固定資産	768	650	525	自己株式	△24	△24	△25
のれん	446	345	252	評価・換算差額等	314	107	376
その他	321	304	273	その他有価証券 評価差額金	333	147	414
投資その他の資産	4,584	5,129	5,842	為替換算調整勘定	△18	△40	△38
投資有価証券	2,343	2,768	3,612	少数株主持分	587	497	561
繰延税金資産	1,028	1,186	1,109	純資産合計	38,125	37,025	37,079
その他	2,154	2,081	2,034	負債純資産合計	107,860	108,509	111,959
貸倒引当金	△892	△827	△830				
投資損失引当金	△50	△80	△84				
資産合計	107,860	108,509	111,959				

連結損益計算書

(単位:百万円)	第46期第2四半期 (2009.11.1~ 2010.4.30)	第46期 (2009.11.1~ 2010.10.31)	第47期第2四半期 (2010.11.1~ 2011.4.30)
売上高	37,142	70,173	35,309
売上原価	25,144	49,855	24,819
売上総利益	11,998	20,318	10,489
販売費及び一般管理費	8,802	17,669	8,765
営業利益	3,195	2,648	1,724
営業外収益	223	444	153
受取利息	8	15	5
受取配当金	11	41	14
受取保険金	63	96	9
受取賃貸料	26	39	26
受取報奨金	1	23	4
負ののれん償却額	34	69	34
その他	77	158	56
営業外費用	494	1,010	469
支払利息	362	764	365
手形売却損	26	45	22
その他	106	200	81
経常利益	2,924	2,083	1,408
特別利益	291	396	46
固定資産売却益	-	10	-
投資有価証券売却益	153	153	-
貸倒引当金戻入額	52	57	2
補助金収入	77	164	32
その他	7	10	10
特別損失	173	317	1,013
固定資産除売却損	38	104	85
投資有価証券評価損	4	27	104
貸倒引当金繰入額	35	35	-
関係会社整理損失引当金繰入額	94	81	-
投資損失引当金繰入額	-	30	4
資産除去債務会計基準の適用に伴う影響額	-	-	95
災害による損失	-	-	724
その他	0	37	0
税金等調整前四半期純利益	3,042	2,162	440
法人税、住民税及び事業税	1,561	1,171	451
法人税等調整額	△73	△17	△52
少数株主損益調整前四半期純利益	-	-	41
少数株主利益又は少数株主損失(△)	38	△33	△7
四半期純利益	1,515	1,041	49

連結キャッシュ・フロー計算書

(単位:百万円)	第46期第2四半期 (2009.11.1~ 2010.4.30)	第46期 (2009.11.1~ 2010.10.31)	第47期第2四半期 (2010.11.1~ 2011.4.30)
営業活動によるキャッシュ・フロー	5,575	9,088	5,623
税金等調整前四半期純利益	3,042	2,162	440
減価償却費	3,684	7,766	4,308
のれん償却額	92	202	93
固定資産除売却損益(△は益)	33	93	77
少額レンタル用資産割賦購入額	-	17	28
建設機材売却に伴う原価振替額	0	11	2
レンタル用資産売却に伴う原価振替額	413	804	368
レンタル用資産取得による支出	△2,052	△2,462	△1,243
投資有価証券評価損益(△は益)	4	27	104
投資有価証券売却損益(△は益)	△153	△153	-
貸倒引当金の増減額(△は減少)	△91	△220	17
投資損失引当金の増減額(△は減少)	-	30	-
賞与引当金の増減額(△は減少)	145	115	30
退職給付引当金の増減額(△は減少)	70	21	86
役員退職慰労引当金の増減額(△は減少)	12	△20	△4
関係会社整理損失引当金の増減額(△は減少)	94	-	-
受取利息及び受取配当金	△20	△57	△20
レンタル用資産割賦購入支払利息	89	179	87
支払利息	362	764	365
売上債権の増減額(△は増加)	683	△267	816
たな卸資産の増減額(△は増加)	△12	55	△81
仕入債務の増減額(△は減少)	△1,195	△551	1,102
資産除去債務会計基準の適用に伴う影響額	-	-	95
災害損失	-	-	724
未払金の増減額(△は減少)	90	490	△141
その他	426	757	△202
小計	5,721	9,767	7,056
利息及び配当金の受取額	20	59	20
利息の支払額	△412	△869	△388
法人税等の支払額	246	131	△1,065
投資活動によるキャッシュ・フロー	729	101	△701
定期預金の預入による支出	△50	△85	-
定期預金の払戻による収入	0	59	-
有形固定資産の取得による支出	△75	△265	△169
有形固定資産の売却による収入	13	60	10
無形固定資産の取得による支出	△28	△47	△4
投資有価証券の取得による支出	△14	△538	△437
投資有価証券の売却による収入	773	775	-
子会社株式の取得による支出	△12	△12	△41
子会社の設立による支出	-	-	△22
貸付けによる支出	△62	△84	△97
貸付金の回収による収入	59	160	31
その他	126	80	30
財務活動によるキャッシュ・フロー	1,346	△2,737	△3,035
短期借入金の純増減額(△は減少)	7,536	11,332	4,654
長期借入れによる収入	2,008	2,609	1,130
長期借入金の返済による支出	△5,567	△10,804	△5,374
社債の償還による支出	△31	△42	△11
割賦債務の返済による支出	△2,077	△4,382	△2,603
リース債務の返済による支出	-	△790	△580
自己株式の取得による支出	△0	△1	△0
配当金の支払額	△327	△657	△327
少数株主への配当金の支払額	-	△1	-
少数株主からの払込みによる収入	-	-	68
その他	△194	-	10
現金及び現金同等物に係る換算差額	2	△23	1
現金及び現金同等物の増減額(△は減少)	7,654	6,429	1,887
現金及び現金同等物の期首残高	14,086	14,086	20,751
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	-	50	-
新規連結に伴う現金及び現金同等物の増加額	185	185	-
現金及び現金同等物の四半期末残高	21,925	20,751	22,638

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 of 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, 2011

(November 1, 2010 - April 30, 2011)

< Management Environment >

Despite the continuing lack of both a consumption stimulus plan and new economic stimulus measures, and in sharp contrast to a sense of stagnation spreading through regional economies, an optimistic business mood prevailed for Japan's economy as a whole during the Kanamoto Group's second quarter because of the strong positive earnings at major companies generated by stable overseas economic trends and external demand.

Such optimistic sentiment, however, was also shattered abruptly by the Great East Japan Earthquake that occurred on March 11, and was quickly replaced by a sense of urgency. As doubts about the pace of Japan's response to the earthquake and lack of information transparency increased, and fears concerning the influence on the global economy mounted, the results cast a long shadow over Japan's future.

In the service and construction industries in which the Kanamoto Group operates, the deterioration of regional economies as the effects of economic measures faded was as striking as projected at the beginning of the period. Moreover, despite the reasonable level of effort that was evident from the private sector following the earthquake, restoration measures and systems that combined government and citizens' effort remained in disarray, and as earthquake recovery efforts failed to make headway, conditions that prevented a clear view of the future prevailed.

< Interim Period Consolidated Operating Results >

As noted in the revised operating results projection dated June 1, the Kanamoto Group's operating results and management environment were affected by the severe competition among firms for construction equipment rentals because of a drop in domestic construction investment, which further spread to various regions, and the intense struggle to secure earnings. The Kanamoto Group is working to maintain revenues by aggressively developing proposal-based selling that encompasses all of the Group's firms, and working to review and optimize the composition of its construction equipment rental asset portfolio through various measures, including computerized project execution being promoted by the Ministry of Land, Infrastructure and Transport and the addition of new energy-saving equipment. Because of the slump in construction demand, earnings through the second quarter of the consolidated fiscal year under review fluctuated with a generally negative trend as initially anticipated.

In addition, conditions after the earthquake as well led directly to a decline in revenues and earnings, including interruptions of construction work in some regions as a consequence of the disaster and the necessary suspension of operations in areas where entry has been restricted. At the same time, however, there also were factors that boosted revenues, including increased demand because of the initial disaster recovery efforts and electricity shortages.

Consolidated Operating Results

(Millions of yen, Percentages show the change from prior year)	Fiscal Year Ended October 31, 2010		Fiscal Year Ending October 31, 2011	
	:Second Quarter		:Second Quarter	
Revenues	37,142	14.0%	35,309	-4.9%
Operating income	3,195	246.8%	1,724	-46.0%
Ordinary income	2,924	268.4%	1,408	-51.8%
Net income	1,515	-	49	-96.7%

Divisional Sales (Consolidated)

(Millions of yen, Percentages show the change from prior year)	Fiscal Year Ended October 31, 2010		Fiscal Year Ending October 31, 2011	
	:Second Quarter		:Second Quarter	
Construction Equipment Rental Business	34,654	15.4%	32,169	-7.2%
Steel Product Sales Business	2,129	-8.9%	-	-
Computing Product and Other Businesses	358	57.8%	-	-
Other Businesses	-	-	3,140	26.2%
Total	37,142	14.0%	35,309	-4.9%

Report of Operating Results and Financial Position for the Six Months ended April 30, 2011

(November 1, 2010 - April 30, 2010)

Given such a management environment and complexly intermingled factors leading to both higher and lower revenues and earnings, results from having created cooperative relationships across the Group's business sectors and among Group firms were evident as well, and the Kanamoto Group was able to maintain its overall market share and adjust its pricing in conjunction with the improvement in rental supply and demand. As a result, revenues slipped 4.9% compared with the same period one year earlier to ¥35,309 million.

From an earnings perspective, on the other hand, operating income fell 46.0% year-on-year to ¥1,724 million and ordinary income decreased 51.8% compared with the same period one year earlier to ¥1,408 million. This reflected the impact of lower earnings from the partial postponement of used construction equipment sales in light of the need to direct equipment to earthquake recovery efforts.

Moreover, some of the Company's branch office buildings and structures and rental assets (construction equipment etc.) in the disaster-stricken region were damaged or destroyed, and the Company recorded an amount equivalent to this damage as the loss. As a result, net income for the interim period retreated sharply, declining 96.7% compared with the interim period of the prior consolidated fiscal year to ¥49 million.

Operating results by segment are reported below (In addition, beginning from the interim period under review, the Company has partially revised its reporting method in conjunction with a change reporting standards for settlement of accounts bulletins.

< Segment Information >

[Business related to the Construction Equipment Rental Division](#)

In some respects, domestic construction equipment rentals

resembled a war of attrition, as price competition throughout Japan further intensified, hand-in-hand with the sharp contraction in the volume of work since last year. Rental revenues in this business sector were 5.9% lower than in the same period one year earlier. By region compared with the same period of the prior consolidated fiscal year, an environment marked by a sharp decline in both public and private sector demand continued as construction works related to economic measures came to an end in the Hokkaido Region and economic activity slowed in other regions. By maintaining its overwhelming market share, however, the drop in earnings was held to 24.9%, an improvement of 6.4 points over the steeper year-on-year decline in revenues witnessed in the first quarter. In contrast, in the Tohoku Region rental revenue rose 7.7% year-on-year as recovery demand was added to demand for large-scale project construction works, while rental revenue in the Kanto Region increased 2.6% compared with the same period of the prior consolidated fiscal year, despite sluggish demand for specialized construction equipment, thanks to growth in private sector demand as well as disaster recovery demand and power supply demand. In the Kinki & Chubu Region, which was not influenced by the earthquake, rental revenue increased 5.4% over the same period one year earlier, driven by private sector capital investment, and in the Kyushu & Okinawa Region, new demand from countermeasures at Mount Shinmoe was added to outstanding public sector demand to push rental revenues up 7.1% year-on-year.

Revenues from equipment sales in this business sector were off 23.6% compared with the same period of the previous consolidated fiscal year. Despite greater stocking and sale of regular construction equipment, these revenues were affected by a decision to postpone some overseas used construction equipment sales and utilize the equipment to meet reconstruction and recovery demand.

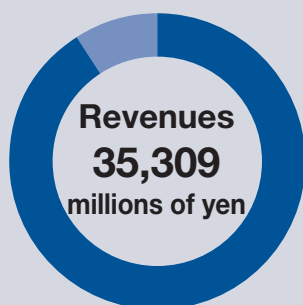
Projected Consolidated Operating Results for the Fiscal Year Ending October 2011

(Millions of yen, Percentages show the change from prior year)

		Prior projection (Dec 8, 2010)
Revenues	67,160	-8.9%
Operating income	1,440	-45.6%
Ordinary income	700	-66.4%
Net income	210	-79.8%

Divisional Sales and Sales Ratio (Consolidated)

(Millions of yen, Percentages show the change from prior year)



Construction Equipment Rental Business	91.1%
32,169 (-7.2%)	
Other Businesses	8.9%
3,140 (26.2%)	

Although currently accounting for only a small proportion of Kanamoto's operating results, in China the Shanghai Jinheyuan Group (Shanghai Jinheyuan Equipment Rental Co., Ltd. and Shanghai Jinheyuan Engineering Construction Co., Ltd.) steadily expanded its market area to Tianjin, Wuhan, Nanjing, Ningbo and other cities, in addition to Shanghai. The difference in demand compared with the previous year's results, however, which were boosted by special procurement for the Shanghai Expo, was great and the expansion into new cities could not offset the decrease.

As a result of these factors, in the construction-related businesses of the entire Kanamoto Group, revenues for the interim period of the consolidated fiscal year were ¥32,169 million and operating income was ¥1,617 million.

Other Businesses

In the steel products sales business the Company is developing in Hokkaido, conditions in the steel materials market remained strong, aided somewhat by the general sense of

insufficient supply because of the earthquake. Demand in Hokkaido, however, experienced a lull. As a result, for the interim period under review revenues climbed 29.3% compared with the same period of the prior consolidated fiscal year. In Kanamoto's information and telecommunications-related division, on the other hand, new business development efforts were successful and personal computer rental income rose 7.6% year-on-year.

As a result of these factors, for the interim consolidated period under review revenues were ¥3,140 million, and operating income was ¥1.4 million.

< Business Development Issues Deserving Special Mention and Status of Branch Office Changes >

During the second quarter consolidated period, Kanamoto did not establish any new branches and closed one domestic branch. Details are provided below.

Closed: Makubetsu Equipment Center (Makubetsu-cho, Nakagawa-gun, Hokkaido)

Future outlook, projected full-year operating results

Since the earthquake, construction equipment rental demand in the stricken areas in Tohoku and Kanto is extremely vigorous, while rental fees have risen as well because of the improved supply and demand balance, and the Company expects to see a commensurate bottom-line effect during the second half of the fiscal year. At the same time, however, it is also true that the overall scale and timing of demand remain in a state of flux, and the Company has maintained its full-year projected operating results values at the level announced in December 2010.

Consolidated Financial Statements

Interim Consolidated Balance Sheets

	Millions of yen		Thousands of U.S. dollars (Note)	
	April 30, 2010 (Unaudited)	October 31, 2010		April 30, 2011 (Unaudited)
Assets				
Current assets:				
Cash and deposits	¥20,684	¥20,486	¥22,373	\$272,579
Marketable securities	1,350	350	350	4,264
Notes and accounts receivable, trade	14,081	14,987	14,177	172,727
Merchandise inventories and products	699	606	701	8,545
Raw material and supplies	159	161	166	2,022
Deferred income taxes	456	361	314	3,827
Other current assets	1,842	1,810	1,688	20,571
Less: Allowance for doubtful accounts	(439)	(373)	(387)	(4,719)
Total current assets	38,832	38,388	39,382	479,816
Property and equipment				
Rental equipment	58,270	62,487	66,233	806,938
Buildings and structures	20,833	20,755	20,855	254,078
Machinery and equipment	6,548	6,470	6,502	79,210
Less: Accumulated depreciation	(54,213)	(55,060)	(57,070)	(695,299)
	31,438	34,652	36,520	444,927
Land	29,546	29,689	29,689	361,703
Lease assets	2,683	–	–	–
Construction in progress	9	–	–	–
Total property and equipment	63,676	64,341	66,209	806,630
Investment and other assets:				
Investment securities:				
Unconsolidated subsidiaries and affiliates	134	117	181	2,205
Others	2,210	2,651	3,432	41,807
Deferred income taxes	1,029	1,187	1,110	13,523
Other assets	2,873	2,652	2,476	30,163
Less: Allowance for doubtful accounts	(893)	(827)	(830)	(10,115)
Total investments and other assets	5,353	5,780	6,369	77,583
Total assets	¥107,861	¥108,509	¥111,960	\$1,364,029
Liabilities and Shareholders' equity				
Current liabilities:				
Short-term bank loans	¥9,702	¥13,416	¥6,076	\$74,020
Current portion of long-term debt	10,744	13,619	15,492	188,744
Current portion of lease obligations	–	860	788	9,597
Notes and accounts payables, trade	12,447	13,077	14,124	172,080
Accounts payable, other	4,235	1,519	1,073	13,073
Accrued income taxes	1,614	1,106	494	6,015
Accrued bonuses	620	589	619	7,546
Reserve for loss on disaster	–	–	461	5,617
Other current liabilities	2,028	1,515	1,296	15,787
Total current liabilities	41,390	45,701	40,423	492,479
Non-current liabilities:				
Long-term debt	24,612	21,842	30,445	370,918
Lease obligations	–	1,903	1,868	22,762
Account payable, other	273	436	312	3,808
Reserve for retirement benefits	1,391	1,341	1,428	17,401
Asset retirement obligations	–	–	151	1,835
Other liabilities	2,069	261	252	3,075
Total non-current liabilities	28,345	25,783	34,456	419,799
Shareholders' equity				
Common stock	9,697	9,697	9,697	118,137
Capital surplus	10,961	10,961	10,961	133,539
Retained earnings	16,590	15,788	15,509	188,952
Treasury stock	(25)	(25)	(25)	(310)
Unrealized holding gain on securities	334	147	415	5,054
Foreign currency translation adjustments	(19)	(41)	(38)	(465)
Minority interests	588	498	562	6,844
Total shareholders' equity	38,126	37,025	37,081	451,751
Total liabilities and shareholders' equity	¥107,861	¥108,509	¥111,960	\$1,364,029

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥82.08=US\$1, the approximate exchange rate on April 28, 2011.

Interim Consolidated Statements of Income

	Millions of yen		Thousands of U.S. dollar (Note)	
	Prior fiscal year interim period (From November 1, 2009 to April 30, 2010)	Prior fiscal year period (From November 1, 2009 to October 31, 2010)	Current fiscal year interim period (From November 1, 2010 to April 30, 2011)	Current fiscal year interim period (From November 1, 2010 to April 30, 2011)
Revenue				
Rentals	¥26,096	¥47,659	¥24,599	\$299,692
Sales	11,047	22,514	10,711	130,491
	37,143	70,173	35,310	430,183
Cost of sales				
Rentals	17,190	33,257	16,554	201,679
Sales	7,955	16,598	8,266	100,706
	25,145	49,855	24,820	302,385
Gross profit	11,998	20,318	10,490	127,798
Selling, general and administrative expenses	8,802	17,669	8,765	106,786
Operating income	3,196	2,649	1,725	21,012
Other income (expense):				
Interest and dividend income	20	58	20	243
Interest expenses	(362)	(765)	(365)	(4,448)
Loss on devaluation of investment securities	(4)	(28)	(104)	(1,268)
Loss on disaster	—	—	(725)	(8,832)
Other, net	192	248	(110)	(1,336)
Income before income taxes and minority interests	3,042	2,162	441	5,371
Income taxes:				
Current	1,561	1,171	452	5,502
Deferred	(73)	(17)	(53)	(642)
	1,488	1,154	399	4,860
Minority interests	38	(34)	(7)	(91)
Net income	¥1,516	¥1,042	¥49	\$602
		Yen		Thousands of U.S. dollar (Note)
	Prior fiscal year interim period (From November 1, 2009 to April 30, 2010)	Prior fiscal year period (From November 1, 2009 to October 31, 2010)	Current fiscal year interim period (From November 1, 2010 to April 30, 2011)	Current fiscal year interim period (From November 1, 2010 to April 30, 2011)
Per share of common stock				
Net income				
Basic	¥46.15	¥31.73	¥1.50	\$0.02
Diluted	—	—	—	—

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥82.08=US\$1, the approximate exchange rate on April 28, 2011.

Consolidated Financial Statements

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, 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
Balance at April 30, 2010	32,872	¥9,697	¥10,961	¥16,590	¥(25)	¥334	¥(19)	¥588	¥38,126
Balance at October 31, 2009	32,872	¥9,697	¥10,961	¥15,335	¥(24)	¥235	¥ –	¥338	¥36,542
Net income	–	–	–	1,042	–	–	–	–	1,042
Cash dividends	–	–	–	(657)	–	–	–	–	(657)
Change in scope of consolidation	–	–	–	68	–	–	–	–	68
Acquisition of treasury stock	–	–	–	–	(1)	–	–	–	(1)
Net changes in items except shareholders' equity	–	–	–	–	–	(88)	(41)	160	31
Balance at October 31, 2010	32,872	¥9,697	¥10,961	¥15,788	¥(25)	¥147	¥(41)	¥498	¥37,025
Balance at October 31, 2010	32,872	¥9,697	¥10,961	¥15,788	¥(25)	¥147	¥(41)	¥498	¥37,025
Net income	–	–	–	49	–	–	–	–	49
Cash dividends	–	–	–	(328)	–	–	–	–	(328)
Change of scope of consolidation	–	–	–	0	–	–	–	–	0
Acquisition of treasury stock	–	–	–	–	(0)	–	–	–	(0)
Net changes in items except shareholders' equity	–	–	–	–	–	268	3	64	335
Balance at April 30, 2011	32,872	¥9,697	¥10,961	¥15,509	¥(25)	¥415	¥(38)	¥562	¥37,081

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, 2010	\$118,137	\$133,539	\$192,351	\$(304)	\$1,797	\$(493)	\$6,064	\$451,091
Net income	–	–	602	–	–	–	–	602
Cash dividends	–	–	(4,001)	–	–	–	–	(4,001)
Change of scope of consolidation	–	–	0	–	–	–	–	0
Acquisition of treasury stock	–	–	–	(6)	–	–	–	(6)
Net changes in items except shareholders' equity	–	–	–	–	3,257	28	780	4,065
Balance at April 30, 2011	\$118,137	\$133,539	\$188,952	\$(310)	\$5,054	\$(465)	\$6,844	\$451,751

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥82.08=US\$1, the approximate exchange rate on April 28, 2011.

Interim Consolidated Statements of Cash Flows

	Millions of yen		Thousands of U.S. dollars (Note)	
	Prior fiscal year interim period (From November 1, 2009 to April 30, 2010)	Prior fiscal year period (From November 1, 2009 to October 31, 2010)	Current fiscal year interim period (From November 1, 2010 to April 30, 2011)	Current fiscal year interim period (From November 1, 2010 to April 30, 2011)
Cash flows from operating activities:				
Net income before income taxes and minority interests	¥3,042	¥2,162	¥441	\$5,371
Adjustments for:				0
Depreciation expenses	3,684	7,767	4,309	52,493
Loss on disposal or sales of property and equipment	38	94	85	1,037
Acquisition of rental equipment	(2,052)	(2,462)	(1,243)	(15,145)
Loss on devaluation of investments in securities	4	28	104	1,268
Gain on sales of investments in securities	(154)	(153)	0	0
(Reversal of provision) provision for allowance of doubtful accounts	(91)	(220)	17	213
Provision for accrued pension and severance costs	70	21	87	1,057
Interest and dividend income	(20)	(58)	(20)	(248)
Interest expenses	451	944	453	5,515
Decrease (increase) in trade receivables	684	(268)	817	9,948
(Increase) decrease in inventories	(13)	55	(81)	(991)
(Decrease) increase in trade payables	(1,195)	(552)	1,102	13,426
Loss on disaster	-	-	725	8,832
Other, net	1,273	2,409	262	3,197
Subtotal	5,721	9,767	7,058	85,973
Interest and dividend income received	20	59	20	249
Interest expenses paid	(413)	(870)	(388)	(4,728)
Income taxes paid	247	132	(1,066)	(12,985)
Net cash provided by operating activities	5,575	9,088	5,624	68,509
Cash flows from investing activities:				
Payments for purchase of investment securities	(15)	(539)	(437)	(5,327)
Proceeds from sales of investment securities	774	776	-	-
Payments for purchase of property and equipment	(76)	(265)	(170)	(2,070)
Other, net	46	130	(94)	(1,147)
Net cash provided by (used in) investing activities	729	102	(701)	(8,544)
Cash flows from financing activities:				
Increase in short-term bank loans, net	7,536	11,332	4,654	56,701
Proceeds from long-term debt	2,009	2,609	1,130	13,767
Repayments of long-term debt	(5,599)	(10,805)	(5,386)	(65,615)
Repayments of obligation under installment purchases	(2,077)	(4,382)	(2,604)	(31,723)
Repayments of lease obligations	(194)	(791)	(581)	(7,075)
Cash dividends paid	(328)	(657)	(328)	(3,994)
Other, net	(1)	(44)	78	951
Net cash provided by (used in) financing activities	1,346	(2,738)	(3,037)	(36,988)
Effect of exchange rate changes on cash and cash equivalents	3	(23)	1	14
Net increase in cash and cash equivalents	7,653	6,429	1,887	22,991
Cash and cash equivalents at beginning of the year	14,086	14,086	20,751	252,817
Increase in cash and cash equivalents from newly consolidated subsidiaries	185	185	-	-
Increase in cash and cash equivalents resulting from merger of subsidiaries	-	51	-	-
Cash and cash equivalents at end of the year	¥21,924	¥20,751	¥22,638	\$275,808

Note: U.S. dollar amounts have been translated from yen for convenience only, at the rate ¥82.08=US\$1, the approximate exchange rate on April 28, 2011.

<p>平成22年10月期通期業績予想の修正について発表</p>	2010.11	<p>Released Notification Concerning Revision of Projected Full-Year Operating Results for the Business Period Ending October 2010</p>
<p>第46期(2010年10月期)決算発表、機関投資家説明会・1on1、個人投資家説明会を開催</p>	2010.12	<p>Released financial statements for the 46th Business Period (Business Period ended October 2010), held briefings and 1-on-1s for institutional investors and briefings for individual investors</p>
<p>決算発表後、機関投資家向け説明会ならびに1on1を実施。また、同月に第47期1回目となる個人投資家説明会を大阪の野村証券なんば支店で開催しました。</p>		<p>Implemented briefings and 1-on-1s for institutional investors after release of settlement of accounts report. During the same month, convened the first briefing of the 47th Business Period for individual investors at the Nanba Branch of Nomura Securities Co., Ltd. in Osaka.</p>
<p>ラジオNIKKEIの投資家向け番組「夕焼けマーケット」に出演</p>		<p>Appeared on the Radio NIKKEI “Evening Markets” program for investors</p>
<p>剰余金の配当について発表</p>		<p>Released Notification Concerning Dividends from Surplus</p>
<p>第46回定時株主総会</p>	2011.1	<p>Held 46th Regular General Meeting of the Shareholders</p>
<p>第2回タームアウト型リボルビング・クレジット・ファシリティ契約の締結について発表</p>		<p>Released Notification Concerning Signing of 2nd Revolving Credit Facility Agreement with Term-out Option</p>
<p>シンガポールに現地同業社と合弁で設立した新会社について発表</p>	2011.2	<p>Announced the establishment of a new company in Singapore through a joint venture with a local firm</p>
<p>当社はシンガポールに現地の同業であるJPネルソン社と合弁で「Kanamoto & JP Nelson Equipment(s) PTE Ltd.」を設立しました。</p>		<p>Kanamoto established a joint venture company in Singapore, named Kanamoto & JP Nelson Equipment (S) PTE Ltd., with JP Nelson Equipment PTE. LTD., the leading construction equipment rental company in the Republic of Singapore.</p>
<p>IRイベントに出展</p>		<p>Exhibited at IR events</p>
<p>2月にIRフォーラム2011大阪、3月には東証IRフェスタ、そして4月には札幌証券取引所主催の上場会社合同説明会に出展するなど、IR活動を積極的に展開しました。</p>		<p>Aggressively developed IR activities, including exhibiting at IR Forum 2011 Osaka in February, Tokyo Stock Exchange IR Festa in March and a listed company combined briefing sponsored by Sapporo Securities Exchange in April.</p>
<p>第47期(2011年10月期)第1四半期決算発表</p>	2011.3	<p>Released Three-month Consolidated Financial Report for the Fiscal Year ending October 31, 2011</p>
<p>入社式・新人研修</p>	2011.4	<p>Initiation ceremony/New employee training</p>
<p>カナモトサックスフェア2011を開催</p>	2011.5	<p>Held Kanamoto Customer Thanks Fair 2011</p>
<p>東日本大震災の影響で延期しておりました「カナモトサックスフェア2011」は北海道で再開の運びとなり、5月から7月にかけて5カ所で開催しました。今後は9月10日・11日に旭川での開催を予定しています。</p>		<p>Kanamoto Customer Thanks Fair 2011, which was postponed because of the Great East Japan Earthquake, was restarted in Hokkaido and held at five locations from May through July. The Company plans to hold the next fair on September 10-11 in Asahikawa.</p>
<p>東日本大震災の被災による特別損失の発生ならびに平成23年10月期第2四半期業績予想の修正について発表</p>	2011.6	<p>Released Notification Concerning Extraordinary Loss (Loss from Damage by the Great East Japan Earthquake) and Revision of Projected Operating Results for the Interim Period of the Fiscal Year Ending October 2011</p>
<p>第47期(2011年10月期)第2四半期決算発表、説明会・1on1を実施</p>		<p>Released Six-month Consolidated Financial Report for the Fiscal Year Ending October 31, 2011 and held briefings and 1-on-1s</p>
<p>決算発表後、機関投資家向け説明会ならびに1 on 1を実施しました。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、社長室広報課長の高山雄一からカナモトの海外展開や震災対応などについてご説明いたしました。</p>		<p>Implemented briefings and 1-on-1s for institutional investors after release of settlement of accounts report. Nobuhito Utatsu, Director and Corporate Officer and the Division Manager of Kanamoto's Accounting Division, provided an explanation of the interim settlement of accounts and outlook for the full year, and Yuichi Takayama, Manager, Investor and Public Relations in the Office of the President, explained Kanamoto's overseas development efforts.</p>

当社は3月11日の地震発生日、東京の営業統括本部に「対策本部」を設置し、復旧に要する建機・機材の供給や人材の派遣を実施してまいりました。緊急対応が一段落した現在も、対策本部の傘下に「現地震災対策室」を設置して直接的に現地対応を行うなど、引き続き支援活動に努めております。これまでカナモトグループが行ってきた震災対応の経過は以下のとおりです。

地震発生日に対策本部を設置

- 2011年3月11日:「東北地方太平洋沖地震対策本部」を設置
- 2011年4月1日:「東日本大震災対策本部」(名称変更)

全国の拠点から被災地へ、迅速な資産シフト

- 2011年3月14日:北海道から発電機、支援物資などを搬送
 - 2011年3月16日、17日、20日:不足する建機の供給を実施
 - 2011年3月19日:北海道と関西から応援隊を派遣
- ※震災需要に対応すべく建機メーカー各社に追加発注をしております。

On March 11, 2011, Kanamoto established a Task Force at its Business Coordination Headquarters in Tokyo to respond to the Great East Japan Earthquake, which occurred on the same day. The Company has been supplying construction equipment and parts needed for restoration work, and has dispatched employees to the stricken region to help with the recovery effort. Kanamoto's support activities are ongoing at the present time, as the first stage of the emergency response has been completed, and include the creation of a Local Earthquake Disaster Office that reports to the Task Force and undertakes support measures directly in the local area. Measures taken by the Kanamoto Group so far in response to the earthquake are outlined below.

Creation of a Task Force on the day of the earthquake

- March 11: Established a Tohoku Pacific Offshore Earthquake Task Force
- April 1: Great East Japan Earthquake Task Force (name change)

Rapid shift of assets to the stricken area from branches nationwide

- March 14: Transported generators, support materials etc. from Hokkaido
- March 16, 17, 20: Provided construction equipment that was in short supply
- March 19: Dispatched assistance teams from Hokkaido and Kansai

Note: Kanamoto has placed additional orders with construction equipment manufacturers to respond to demand following the earthquake.

<p>気仙沼 Kesennuma</p>		<p>瓦礫撤去作業を行う当社油圧ショベル Kanamoto hydraulic excavators being used for debris removal operations</p>
<p>大船渡 Ofunato</p>		<p>津波被害のあった沿岸部で復旧工事に使用される当社の油圧ショベルと散水車 Kanamoto hydraulic excavators and water tank trucks used for restoration works in coastal areas damaged by the tsunami</p>
<p>陸前高田 Rikuzentakata</p>		<p>撤去作業を行う当社建機と陸前高田市役所の仮庁舎として使用される仮設ユニットハウス(右) Kanamoto construction equipment being used for removal work and modular housing units used as temporary public office space at Rikuzentakata City Hall (right)</p>
<p>仙台 Sendai</p>		<p>復旧工事が急がれる工場や施設で、瓦礫を撤去・運搬する油圧ショベルとトラック Hydraulic excavators and trucks remove and transport debris at factories and facilities where restoration works must be performed quickly</p>
<p>亶 Ishinomaki</p>		<p>自衛隊の捜索活動(左)や地元小学校の復旧工事(右)などに使用される当社油圧ショベル Kanamoto's hydraulic excavators being used for Self Defense Forces search activities (left) and local elementary school restoration works (right)</p>
<p>東京 Tokyo</p>		<p>電力不足への対応 建設会社以外の企業・施設にも、可搬型発電機を供給しています。また、当社が代理店となっている米国キャブストーン社のコージェネ・マイクロガスタービン発電機や、LEDランプのお問い合わせも増加しています。 Response to electric power shortages Kanamoto has supplied portable generators for firms and facilities other than construction companies. Inquiries regarding co-generation gas microturbine generators produced by U.S. manufacturer Capstone Turbine Corporation and distributed by Kanamoto and for LED lamps have also increased.</p>
<p>熊谷 Urayasu</p>		<p>液状化した鉄鋼団地付近の現場で、急ピッチで進められる復旧工事 Restoration work is proceeding rapidly at liquefaction sites near an iron and steel production site</p>

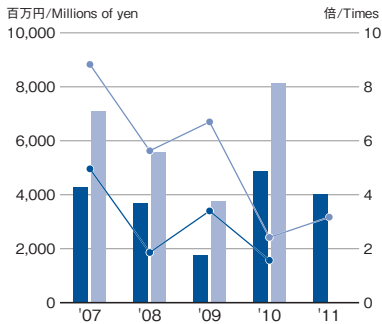
今後も皆様の一助となるよう、カナモトグループ一丸となって尽力してまいります。
The Kanamoto Group will continue working as one to assist everyone in need following this unprecedented disaster.

グラフで見る5年間(連結) Performance at a Glance (Consolidated)

■ = 第2四半期累計/Interim period ■ = 期末/Full year

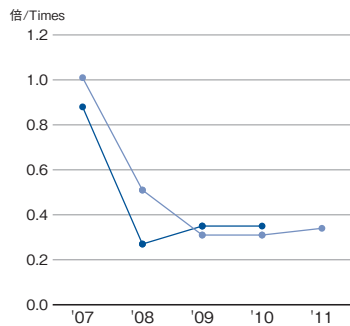
キャッシュフロー Cash Flow 株価キャッシュフロー倍率 PCFR

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



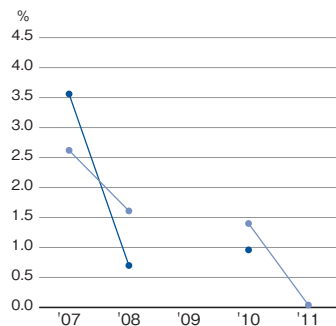
株価純資産倍率 PBR

PBR = ROE × PER



総資産利益率 (ROA)

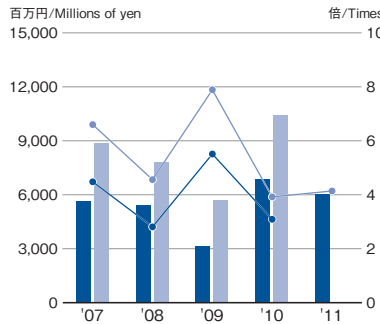
ROA = 当期純利益 ÷ 総資産
ROA = Net income ÷ Total assets



09年10月期第2四半期累計期間のROAは、当該期間に純損失を計上したため、表示しておりません。
Because Kanamoto booked a net loss for the relevant period, the ROA for the interim period of the Business Period ending October 2009 is shown as 0 (zero).

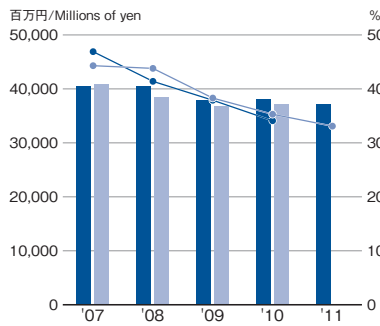
減価償却前営業利益 EBITDA EBITDA倍率 EBITDA Ratio

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 + interestbearing debt - market value of non-trade assets attend of business period) ÷ EBITDA



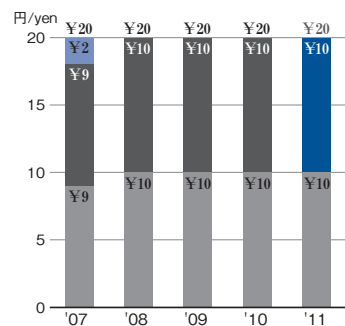
純資産 Net Assets

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



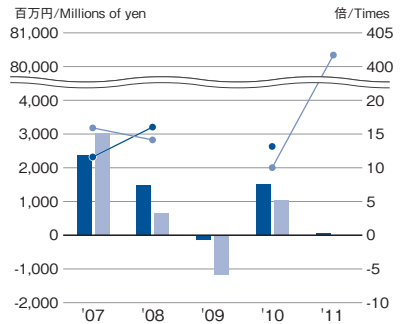
1株当たり配当

Dividend per Share of Common Stock
= 特別配当/Special dividend ■ = 期末予想/Projected



当期純利益 Net Income 株価収益率 PER

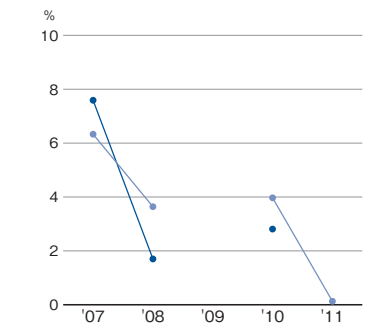
PER = 期末株式時価総額 ÷ 当期純利益
PER = Total market capitalization at end of period ÷ Net Income



09年10月期第2四半期累計期間のPERは、当該期間に純損失を計上したため、表示しておりません。
Because Kanamoto booked a net loss for the relevant period, the PER for the interim period of the Business Period ending October 2009 is shown as 0 (zero).

自己資本利益率 ROE

ROE = 当期純利益 ÷ 自己資本
= 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



09年10月期第2四半期累計期間のROEは、当該期間に純損失を計上したため、表示しておりません。
Because Kanamoto booked a net loss for the relevant period, the ROE for the interim period of the Business Period ending October 2009 is shown as 0 (zero).

*2007年10月期の期末配当の11円のうち2円は増益による特別配当です。

*The 2007 cash dividend of ¥20 included a special dividend of ¥2.

拠点ネットワーク Branch 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

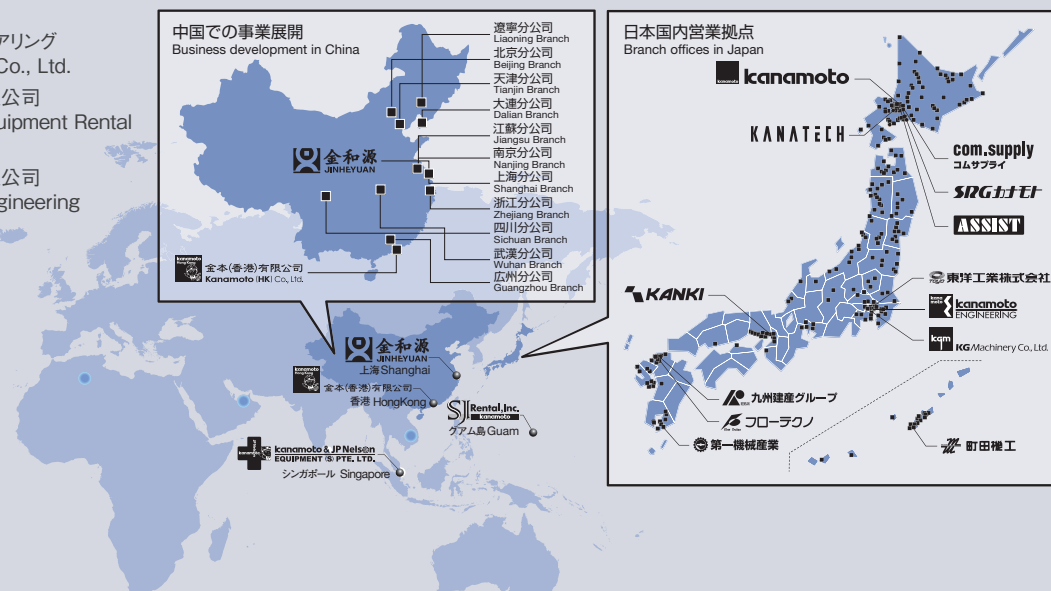
- 連結子会社 Consolidated Subsidiaries
- 株式会社アシスト Assist Co., Ltd.
 - 株式会社エスアール・ジー カナモト SRG Kanamoto Co., Ltd.
 - 株式会社カナテック Kanatech Co., Ltd.
 - 第一機械産業株式会社 Daiichi Machine Industries Co., Ltd.
 - 株式会社カンキ Kanki Corporation
 - 株式会社九州建産 Kyushu Kensan Co., Ltd.
 - 東洋工業株式会社 Toyo Industry Co., Ltd.
 - 株式会社カナモ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.
 - Kanamoto & JP Nelson Equipment (S) PTE 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、グアム、シンガポールに拠点展開しているほか、ベトナム、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 branches in China, Guam and Singapore, Kanamoto is also engaged in construction equipment rental in Vietnam, Algeria, the UAE and the Pacific Rim region.

当社および当社グループ営業拠点エリア別内訳 (2011年6月現在)

Kanamoto and the Group companies' operating branches in Japan (as of June 2011)

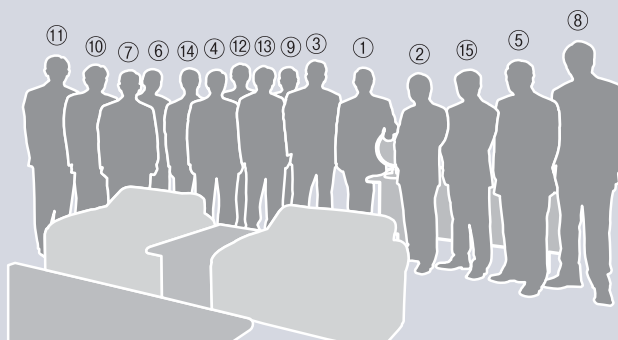
		レンタル事業部 Construction Equipment Rental Division		鉄鋼事業部 Steel Sales Division		情報機器事業部 Information Products Division		計 Total
		当社単独 Kanamoto Co., Ltd.	連結子会社 Consolidated subsidiaries	当社単独 Kanamoto Co., Ltd.	連結子会社 Consolidated subsidiaries	当社単独 Kanamoto Co., Ltd.	連結子会社 Consolidated subsidiaries	
国内 Domestic	北海道 Hokkaido	62	18	3	0	0	0	83
	東北 Tohoku	49	2	0	0	0	0	51
	関東 Kanto	29	5	0	0	1	1	36
	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	30	0	0	0	0	30
海外 Over-seas	中国 China	0	10	0	0	0	0	10
	アメリカ U.S.A	0	1	0	0	0	0	1
合計	Total	240		3		2		245

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 礪野 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 椋梨 直樹*
海外事業部長
- ⑫ 門脇 克俊
- ⑬ 上谷内祐二

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***
Division Manager, Overseas Business
Division
- Katsutoshi Kadowaki**
- Yuji Kamiyauchi**



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)

Corporate Officers

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

監査役

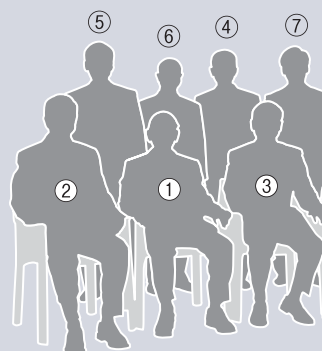
- ① 澤田 紳六
常勤監査役
- ② 金本 栄中
常勤監査役
- ③ 横田 直之
常勤監査役
- ④ 橋本 昭夫
監査役
- ⑤ 辻 清宏
監査役
- ⑥ 直井 暁
監査役
- ⑦ 大場 久夫
監査役

Auditors

- Shinroku Sawada**
Standing Corporate Auditor
- Eichu Kanamoto**
Standing Corporate Auditor
- Naoyuki Yokota**
Standing Corporate Auditor
- Akio Hashimoto**
Outside Corporate Auditor
- Kiyohiro Tsuji**
Outside Corporate Auditor
- Akira Naoi**
Outside Corporate Auditor
- Hisao Ooba**
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、直井暁氏、大場久夫氏は、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。

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, Akira Naoi and Hisao Ooba 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.



商号

株式会社 **力十**

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

701億73百万円(2010年10月期)

連結従業員数

1,794名(2011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

¥70,173 million
(Fiscal year ended October 31, 2010)

Number of Consolidated Employees

1,794 (As of April 30, 2011)
(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)
Minato ward, Tokyo



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kanamoto co., ltd.

www.kanamoto.co.jp

〒060-0041 札幌市中央区大通東3丁目1番地19

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

