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FOR IMMEDIATE RELEASE

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**Notification Concerning Revision of Projected Full-Year Operating
Results for the Business Period Ending October 2020**

Kanamoto Company, Limited has made the following revisions to its projected forecast for the fiscal year ending October 2020 (November 1, 2019 - October 31, 2020) released on December 6, 2019, based on recent market trends and currently available information.

1. Revised projected figures for full-year consolidated operating results for the Business Period ending October 2020

(November 1, 2019 - October 31, 2020)

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

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Net Income per Share
Prior projection (A)	182,700	16,100	16,400	9,900	256.26
Revised projection (B)	177,900	13,700	13,600	8,000	208.46
Increase/decrease (B - A)	-4,800	-2,400	-2,800	-1,900	—
Percent change (%)	-2.6%	-14.9%	-17.1%	-19.2%	—
(Reference) Prior fiscal year (Fiscal year ended October 2019)	180,694	17,842	18,277	11,430	295.30

2. Revised projected figures for full-year non-consolidated operating results for the Business Period ending October 2020

(November 1, 2019 - October 31, 2020)

(Unit: Millions of yen)

	Net Sales	Ordinary Profit	Profit	Net Income per Share
Prior projection (A)	122,400	9,700	6,600	170.52
Revised projection (B)	118,500	8,200	5,500	143.31
Increase/decrease (B - A)	-3,900	-1,500	-1,100	—
Percent change (%)	-3.2%	-15.4%	-16.7%	—
(Reference) Prior fiscal year (Fiscal year ended October 2019)	121,965	12,451	8,400	217.03

3. Reasons for the revision

In the construction industry related to the Kanamoto Group, the trend in public works spending for the balance of the fiscal year ending October 2020 is expected to remain steady. A full-scale recovery of construction equipment rental demand, however, is expected to take somewhat longer because of the cancellation or postponement of works funded by private sector construction investment.

Furthermore, operating profit, ordinary profit, and profit attributable to owners of parent are projected to be lower than initially planned as well, reflecting the effect of investments in the human resources who will be responsible for future

growth and the additional increase in capital expenditures for disaster recovery, and the concomitant increase in the depreciation and amortization expense burden. In light of these factors, the Company decided to revise its projected full-year consolidated operating results.

End