



Fiscal Year Ended October 31, 2024 Financial Statements Bulletin (Japan GAAP)

December 6, 2024

Listed Company Name **Kanamoto Co., Ltd.**
 Company Code Number **9678**
 Listing Exchanges **Tokyo Stock Exchange, Sapporo Stock Exchange**
 URL <https://www.kanamoto.co.jp>
 Representative **Tetsuo Kanamoto** President and CEO
 Inquiries **Shun Hirose** Director & Corporate Officer, Division Manager,
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Scheduled date for Regular General Meeting of the Shareholders January 23, 2025
 Scheduled date for commencement of dividend payments January 24, 2025
 Scheduled date for submission of Annual Securities Report January 23, 2025
 Preparation of Supplementary Explanatory Materials: Yes
 Earnings Briefings (For institutional investors and analysts): Yes

(Numbers less than one million yen have been rounded down)

1. Consolidated Operating Results for the Fiscal Year Ended October 31, 2024

(November 1, 2023 – October 31, 2024)

(1) Consolidated Operating Results

(Percentages show the change from the prior year)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended October 31, 2024	207,218	4.9	14,569	21.8	15,218	21.9	9,013	34.1
Fiscal year ended October 31, 2023	197,481	5.0	11,958	-9.6	12,488	-9.4	6,721	-19.5

(Note) Comprehensive income (millions of yen)

Fiscal year ended October 31, 2024 10,565 (25.6%)
 Fiscal year ended October 31, 2023 8,410 (-21.2%)

	Earnings per Share	Earnings per Share on a Fully Diluted Basis	ROE	Ordinary Profit to Total Assets	Operating Margin
	Yen	Yen	%	%	%
Fiscal year ended October 31, 2024	253.72	-	6.6	4.8	7.0
Fiscal year ended October 31, 2023	185.40	-	5.0	4.0	6.1

(Reference) Investment profit or loss accounted for by the equity method (millions of yen)

Fiscal year ended October 31, 2024 -
 Fiscal year ended October 31, 2023 -

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of October 31, 2024	322,853	149,713	43.4	3,950.40
As of October 31, 2023	316,440	143,677	42.5	3,729.73

(Reference) Equity (millions of yen)

As of October 31, 2024 140,008
 As of October 31, 2023 134,495

(3) Consolidated Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended October 31, 2024	41,696	-2,729	-33,529	50,586
Fiscal year ended October 31, 2023	37,960	-6,699	-33,995	45,093

2. Dividends

	Annual Dividends per Share					Dividends in Total (Full Year)	Dividend Payout Ratio (Consolidated)	Dividends on Net Assets (Consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Full-year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended October 31, 2023	-	35.00	-	40.00	75.00	2,704	40.5	2.1
Fiscal year ended October 31, 2024	-	35.00	-	45.00	80.00	2,831	31.5	2.1
Fiscal year ending October 31, 2025 (projected)	-	40.00	-	40.00	80.00		30.0	

(Note) Breakdown of year-end dividend for the fiscal year ended October 31, 2024 (yen)
 Ordinary dividend 40.00
 60th anniversary commemorative dividend 5.00

3. Projected Consolidated Operating Results for the Fiscal Year Ending October 31, 2025

(November 1, 2024 - October 31, 2025)

(Percentages show the change from the prior year)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Earnings per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim period	102,500	1.8	6,600	6.6	6,600	2.2	3,900	7.6	111.19
Full year	211,100	1.9	15,100	3.6	15,300	0.5	9,300	3.2	266.49

(Note) At a meeting of the Board of Directors held on December 6, 2024, the Company resolved to acquire its own shares, and the "Earnings per Share" in the projected consolidated operating results for the fiscal year ending October 31, 2025 takes into account the impact of this acquisition of own shares.

Notes

- (1) Changes in material subsidiaries during the period under review (changes in specific subsidiaries in conjunction with a change in the scope of consolidation): No
- (2) Changes in accounting principles, changes in accounting estimates and retrospective restatements
 - (a) Changes in accounting policy in conjunction with revision of accounting standards: No
 - (b) Changes other than the above: No
 - (c) Changes in accounting estimates: No
 - (d) Retrospective restatements: No
- (3) Number of shares issued (common shares)
 - (a) Number of shares outstanding at the end of the period (including treasury shares)
 - As of October 31, 2024: 38,742,241 shares
 - As of October 31, 2023: 38,742,241 shares
 - (b) Number of treasury shares at the end of the period
 - As of October 31, 2024: 3,300,670 shares
 - As of October 31, 2023: 2,681,810 shares
 - (c) Average number of shares outstanding during the period
 - Fiscal year ended October 31, 2024: 35,525,825 shares
 - Fiscal year ended October 31, 2023: 36,254,078 shares

(Reference) Summary of Non-Consolidated Operating Results

1. Non-Consolidated Operating Results for the Fiscal Year Ended October 31, 2024

(November 1, 2023 – October 31, 2024)

(1) Non-Consolidated Operating Results

(Percentages show the change from the prior year)

	Net Sales		Operating Profit		Ordinary Profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended October 31, 2024	129,290	8.2	8,268	43.6	9,350	38.1	6,361	77.3
Fiscal year ended October 31, 2023	119,441	3.2	5,759	-10.9	6,772	-9.2	3,588	-27.6

	Earnings per Share	Earnings per Share on a Fully Diluted Basis
	Yen	Yen
Fiscal year ended October 31, 2024	179.07	-
Fiscal year ended October 31, 2023	98.99	-

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of October 31, 2024	231,748	109,555	47.3	3,091.17
As of October 31, 2023	230,535	107,003	46.4	2,967.35

(Reference) Equity (millions of yen)
As of October 31, 2024 109,555
As of October 31, 2023 107,003

Note: Financial results reports are not required to be audited by certified public accountants or an audit corporation.

Note: Explanation concerning appropriate use of the projected operating results and other items to note

(Note concerning forward-looking statements)

The forward-looking statements, including business results forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. The Company does not guarantee the achievement of the projections. Actual operating results may differ substantially due to a number of factors.

(Methods of obtaining the supplementary materials and the content of the earnings briefings)

The Company plans to hold an online meeting for institutional investors and analysts on Monday, December 9, 2024. Following the meeting, the Company will upload the meeting highlights and discussion (voice recording) on the Company's website as quickly as possible, together with the Earnings Briefings materials used that day.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2023	As of October 31, 2024
Assets		
Current assets		
Cash and deposits	45,611	51,104
Notes and accounts receivable - trade, and contract assets	41,048	43,478
Electronically recorded monetary claims - operating	11,474	10,562
Merchandise and finished goods	1,442	1,634
Raw materials and supplies	1,574	1,631
Construction machine parts	15,962	15,095
Other	3,453	3,373
Allowance for doubtful accounts	-269	-204
Total current assets	120,298	126,675
Non-current assets		
Property, plant and equipment		
Rental equipment	308,318	322,689
Accumulated depreciation	-197,632	-211,172
Rental equipment, net	110,685	111,516
Buildings and structures	47,935	49,597
Accumulated depreciation	-27,522	-29,018
Buildings and structures, net	20,413	20,579
Machinery, equipment and vehicles	10,550	10,876
Accumulated depreciation	-8,798	-9,143
Machinery, equipment and vehicles, net	1,752	1,733
Land	39,511	39,608
Other	4,091	4,268
Accumulated depreciation	-2,476	-2,636
Other, net	1,614	1,632
Total property, plant and equipment	173,977	175,070
Intangible assets		
Goodwill	3,163	2,558
Customer relationship	1,244	1,181
Other	1,369	1,093
Total intangible assets	5,778	4,833
Investments and other assets		
Investment securities	10,637	11,450
Deferred tax assets	2,013	1,449
Long-term loans receivable	1,702	1,049
Other	2,508	2,699
Allowance for doubtful accounts	-476	-376
Total investments and other assets	16,386	16,272
Total non-current assets	196,141	196,177
Total assets	316,440	322,853

(Millions of yen)

	As of October 31, 2023	As of October 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,077	33,728
Short-term borrowings	900	720
Current portion of long-term borrowings	14,600	21,331
Lease liabilities	1,645	1,706
Income taxes payable	2,657	3,517
Provision for bonuses	1,676	1,703
Accounts payable - other	26,075	25,235
Other	3,992	4,875
Total current liabilities	87,624	92,817
Non-current liabilities		
Long-term borrowings	35,796	32,402
Lease liabilities	3,626	3,708
Long-term accounts payable - other	42,324	41,088
Retirement benefit liability	354	352
Asset retirement obligations	686	722
Deferred tax liabilities	2,288	1,894
Other	60	153
Total non-current liabilities	85,139	80,322
Total liabilities	172,763	173,140
Net assets		
Shareholders' equity		
Share capital	17,829	17,829
Capital surplus	19,432	19,546
Retained earnings	97,842	104,177
Treasury shares	-5,906	-7,670
Total shareholders' equity	129,198	133,883
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,983	3,586
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	2,343	2,576
Remeasurements of defined benefit plans	-30	-37
Total accumulated other comprehensive income	5,296	6,125
Non-controlling interests	9,181	9,705
Total net assets	143,677	149,713
Total liabilities and net assets	316,440	322,853

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)**

(Millions of yen)

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Net sales	197,481	207,218
Cost of sales	140,630	146,989
Gross profit	56,850	60,228
Selling, general and administrative expenses	44,892	45,659
Operating profit	11,958	14,569
Non-operating income		
Interest income	70	111
Dividend income	211	236
Insurance claim income	69	63
Rental income	77	73
Temporary transfer charges income	57	58
Foreign exchange gains	111	222
Reversal of allowance for doubtful accounts	83	58
Other	316	314
Total non-operating income	998	1,137
Non-operating expenses		
Interest expenses	127	171
Loss on cancellation of leases	39	46
Waste disposal costs	73	75
Other	228	195
Total non-operating expenses	468	489
Ordinary profit	12,488	15,218
Extraordinary income		
Gain on sale of non-current assets	57	49
Gain on sale of shares of subsidiaries and associates	0	1
Gain on sale of investment securities	221	-
Gain on receipt of donated non-current assets	7	-
Subsidy income	-	41
Total extraordinary income	287	92
Extraordinary losses		
Impairment losses	195	88
Loss on sale and retirement of non-current assets	467	221
Loss on valuation of investment securities	6	-
Total extraordinary losses	668	310
Profit before income taxes	12,106	15,000
Income taxes - current	4,480	5,384
Income taxes - deferred	184	-122
Total income taxes	4,664	5,262
Profit	7,441	9,738
Profit attributable to non-controlling interests	720	725
Profit attributable to owners of parent	6,721	9,013

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Profit	7,441	9,738
Other comprehensive income		
Valuation difference on available-for-sale securities	814	600
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	144	233
Remeasurements of defined benefit plans, net of tax	9	-7
Total other comprehensive income	968	826
Comprehensive income	8,410	10,565
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,675	9,842
Comprehensive income attributable to non-controlling interests	734	722

(3) Consolidated Statements of Changes in Equity

Prior fiscal year (From November 1, 2022 to October 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,829	19,332	94,399	-3,945	127,616
Changes during period					
Dividends of surplus			-2,739		-2,739
Profit attributable to owners of parent			6,721		6,721
Change in scope of consolidation			-538		-538
Change in ownership interest of parent due to transactions with non-controlling interests		98			98
Purchase of treasury shares				-1,999	-1,999
Restricted stock compensation		0		39	40
Net changes in items other than shareholders' equity					
Total changes during period	-	99	3,443	-1,960	1,582
Balance at end of period	17,829	19,432	97,842	-5,906	129,198

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,181	-	2,198	-37	4,342	8,652	140,611
Changes during period							
Dividends of surplus					-		-2,739
Profit attributable to owners of parent					-		6,721
Change in scope of consolidation					-		-538
Change in ownership interest of parent due to transactions with non-controlling interests					-		98
Purchase of treasury shares					-		-1,999
Restricted stock compensation					-		40
Net changes in items other than shareholders' equity	802	0	144	7	953	528	1,482
Total changes during period	802	0	144	7	953	528	3,065
Balance at end of period	2,983	0	2,343	-30	5,296	9,181	143,677

Current fiscal year (From November 1, 2023 to October 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,829	19,432	97,842	-5,906	129,198
Changes during period					
Dividends of surplus			-2,679		-2,679
Profit attributable to owners of parent			9,013		9,013
Change in ownership interest of parent due to transactions with non-controlling interests		88			88
Purchase of treasury shares				-2,000	-2,000
Restricted stock compensation		25		236	261
Net changes in items other than shareholders' equity					
Total changes during period	-	113	6,334	-1,763	4,684
Balance at end of period	17,829	19,546	104,177	-7,670	133,883

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,983	0	2,343	-30	5,296	9,181	143,677
Changes during period							
Dividends of surplus					-		-2,679
Profit attributable to owners of parent					-		9,013
Change in ownership interest of parent due to transactions with non-controlling interests					-		88
Purchase of treasury shares					-		-2,000
Restricted stock compensation					-		261
Net changes in items other than shareholders' equity	602	0	233	-7	828	523	1,352
Total changes during period	602	0	233	-7	828	523	6,036
Balance at end of period	3,586	0	2,576	-37	6,125	9,705	149,713

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Cash flows from operating activities		
Profit before income taxes	12,106	15,000
Depreciation	34,252	35,625
Impairment losses	195	88
Amortization of goodwill	638	649
Loss (gain) on sale and retirement of non-current assets	409	171
Cost transfer resulting from sale of rental equipment	1,217	1,228
Purchase of construction equipment and materials	-1,059	-2,163
Purchase of rental equipment	-5,623	-4,225
Loss (gain) on sale of investment securities	-221	-
Loss (gain) on valuation of investment securities	6	-
Loss (gain) on sale of shares of subsidiaries and associates	-0	-1
Increase (decrease) in allowance for doubtful accounts	-100	-167
Increase (decrease) in provision for bonuses	65	26
Increase (decrease) in retirement benefit liability	-6	-13
Interest and dividend income	-281	-347
Assets buy on the installment plan purchase payment interest for rentals	662	867
Interest expenses	127	171
Foreign exchange losses (gains)	-104	-224
Decrease (increase) in accounts receivable - trade, and contract assets	-5,456	-1,490
Decrease (increase) in inventories	223	-289
Increase (decrease) in trade payables	2,017	-2,538
Increase (decrease) in accounts payable - other	2,454	1,886
Other, net	625	2,580
Subtotal	42,147	46,837
Interest and dividends received	278	345
Interest paid	-790	-1,045
Income taxes paid	-3,674	-4,440
Net cash provided by (used in) operating activities	37,960	41,696

(Millions of yen)

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Cash flows from investing activities		
Payments into time deposits	-747	-1,904
Proceeds from withdrawal of time deposits	747	1,904
Purchase of investment securities	-24	-11
Proceeds from sale of investment securities	358	25
Purchase of property, plant and equipment	-5,254	-2,698
Proceeds from sale of property, plant and equipment	80	81
Purchase of intangible assets	-331	-189
Purchase of shares of subsidiaries	-742	-0
Proceeds from sale of shares of subsidiaries and associates	16	37
Loan advances	-793	-89
Proceeds from collection of loans receivable	176	318
Other, net	-183	-204
Net cash provided by (used in) investing activities	-6,699	-2,729

(Millions of yen)

	Fiscal year ended October 31, 2023	Fiscal year ended October 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-80	-180
Proceeds from long-term borrowings	14,205	16,300
Repayments of long-term borrowings	-15,511	-16,620
Repayments of installment payables	-26,185	-26,751
Repayments of lease liabilities	-1,576	-1,490
Purchase of treasury shares	-1,999	-2,000
Dividends paid	-2,739	-2,677
Dividends paid to non-controlling interests	-22	-21
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-84	-89
Net cash provided by (used in) financing activities	-33,995	-33,529
Effect of exchange rate change on cash and cash equivalents	48	55
Net increase (decrease) in cash and cash equivalents	-2,685	5,493
Cash and cash equivalents at beginning of period	47,047	45,093
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	731	-
Cash and cash equivalents at end of period	45,093	50,586