

**Financial Results for the First Quarter  
Fiscal Year Ending March 2010  
Investor Relations Presentation Materials**

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**ISEKI & CO.,LTD.**

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# \* Quarterly Financial Results and Seasonal Trends

## 1. Reporting period of consolidated subsidiaries

|  | Term end    | (1st Quarter) |
|--|-------------|---------------|
| 12 sales companies, 1 sales-related company and Iseki-Changzhou Mfg. Co., Ltd. | December 31 | (Jan.-Mar.)   |
| ISEKI & CO., LTD. and 10 other affiliates                                      | March 31    | (Apr.-Jun.)   |

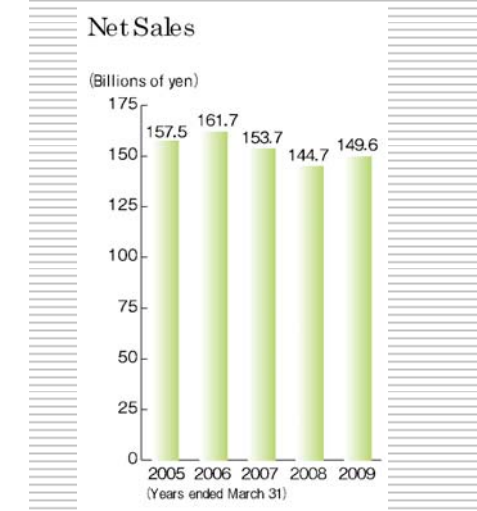
## 2. Seasonal Trends of Sales (FY Ended March 2008 Actual) (JPY bn)

|          | 1st  | 2nd  | 3rd  | 4nd  | Total |
|----------|------|------|------|------|-------|
| Domestic | 26.4 | 35.4 | 30.1 | 30.8 | 122.7 |
| Overseas | 3.5  | 5.9  | 4.8  | 7.8  | 22.0  |
| Total    | 29.9 | 41.3 | 34.9 | 38.6 | 144.7 |
| (%)      | (21) | (29) | (24) | (27) | (100) |

(Note) The sales in first quarter are lower than in other quarters.

# 1. Fiscal Year Ending March 2010

## Outline of Financial Results for the First Quarter



# Outline of Financial Results for the First Quarter

(JPY bn, %)

| Item                   | 07/Apr.-Jun.<br>Actual | 08/Apr.- Jun.<br>Actual |       | 09Apr.- Jun.<br>Actual |       | Change | 09/Apr.- Jun.<br>Plan | Change |
|------------------------|------------------------|-------------------------|-------|------------------------|-------|--------|-----------------------|--------|
|                        |                        |                         | %     |                        | %     |        |                       |        |
| Net Sales              | 29.9                   | 32.3                    | 100.0 | 29.5                   | 100.0 | (2.8)  | 30.0                  | (0.5)  |
| (Domestic)             | 26.4                   | 27.0                    | 83.6  | 26.0                   | 88.1  | (1.0)  | 26.0                  | -      |
| (Overseas)             | 3.5                    | 5.3                     | 16.4  | 3.5                    | 11.9  | (1.8)  | 4.0                   | (0.5)  |
| Gross Profit           | 9.9                    | 10.1                    | 31.3  | 10.6                   | 36.1  | 0.5    | 10.3                  | 0.3    |
| S. G. & A.<br>Expenses | 10.6                   | 10.6                    | 32.9  | 10.2                   | 34.8  | (0.4)  | 10.6                  | (0.4)  |
| Operating Income       | (0.7)                  | (0.5)                   | (1.6) | 0.4                    | 1.3   | 0.9    | (0.3)                 | 0.7    |
| Ordinary Income        | (0.5)                  | (0.4)                   | (1.3) | 0.4                    | 1.3   | 0.8    | (0.3)                 | 0.7    |
| Net Income             | (0.4)                  | (0.5)                   | (1.6) | 0.4                    | 1.3   | 0.9    | (0.3)                 | 0.7    |

# Breakdown of Domestic Sales

(JPY bn)

|  | 07/Apr.- Jun. | 08/Apr.- Jun. | 09/Apr.- Jun. | Change       |   | 09/Apr.- Jun. | Change   |
|--|---------------|---------------|---------------|--------------|---|---------------|----------|
|  | Actual        | Actual        | Actual        |              | Notes                                   | Plan          |          |
| Cultivating & Mowing Machinery               | 7.5           | 7.4           | 7.4           | -            |   | 7.4           | -        |
| Planting Machinery                           | 2.7           | 3.4           | 3.3           | (0.1)        | Rice Transplanters : (0.1)              | 3.3           | -        |
| Harvesting & Processing Machinery            | 3.7           | 4.0           | 3.8           | (0.2)        | Combine Harvesters : (0.1)              | 3.8           | -        |
| <b>Agricultural Machinery Total</b>          | <b>13.9</b>   | <b>14.8</b>   | <b>14.5</b>   | <b>(0.3)</b> |   | <b>14.5</b>   | <b>-</b> |
| Parts & Farming Implements                   | 5.5           | 5.9           | 5.5           | (0.4)        |   | 5.5           | -        |
| Construction of Facilities                   | 0.3           | 0.2           | 0.3           | 0.1          |   | 0.3           | -        |
| Agricultural Machinery Related Business (*1) | 4.0           | 3.7           | 3.7           | -            |   | 3.7           | -        |
| Others (*2)                                  | 2.7           | 2.4           | 2.0           | (0.4)        | Stock transfer of an affiliated company | 2.0           | -        |
| <b>Total</b>                                 | <b>26.4</b>   | <b>27.0</b>   | <b>26.0</b>   | <b>(1.0)</b> |   | <b>26.0</b>   | <b>-</b> |

\*1 Repair fee, agricultural materials, etc. \*2 Revenue from coin-operated rice polishing machine and other items.

# Breakdown of Overseas Sales

(JPY bn)

| Item           | 07/Apr.-Jun.<br>Actual | 08/Apr.- Jun.<br>Actual | 09/Apr.- Jun.<br>Actual | Change | Notes   | 09/Apr.- Jun.<br>Plan | Change |
|----------------|------------------------|-------------------------|-------------------------|--------|---|-----------------------|--------|
| North America  | 0.3                    | 1.8                     | 0.8                     | (1.0)  | Sluggish market due to recession                  | 1.1                   | (0.3)  |
| Europe         | 2.4                    | 2.2                     | 1.1                     | (1.1)  | Sluggish landscaping market                       | 1.3                   | (0.2)  |
| Asia           | 0.4                    | 0.4                     | 1.0                     | 0.6    | Market expansion supported by agricultural policy | 1.1                   | (0.1)  |
| (China)*       | 0.0                    | 0.1                     | 0.7                     | 0.6    |   | 0.7                   | -      |
| Oceania        | 0.1                    | 0.3                     | 0.1                     | (0.2)  |   | 0.1                   | -      |
| Products Total | 3.2                    | 4.7                     | 3.0                     | (1.7)  |   | 3.6                   | (0.6)  |
| Parts & Others | 0.3                    | 0.6                     | 0.5                     | (0.1)  |   | 0.4                   | 0.1    |
| Total          | 3.5                    | 5.3                     | 3.5                     | (1.8)  |   | 4.0                   | (0.5)  |

\*Sales for China are actual results (Jan.-Mar.)

# Operating Income

(JPY bn, %)

| Item                | 07/Apr.-Jun.<br>Actual | 08/Apr.- Jun.<br>Actual |       | 09/Apr.- Jun.<br>Actual |       | Change | 09/Apr.- Jun.<br>Plan | Change |
|---------------------|------------------------|-------------------------|-------|-------------------------|-------|--------|-----------------------|--------|
|                     |                        |                         | %     |                         | %     |        |                       |        |
| Net Sales           | 29.9                   | 32.3                    | 100.0 | 29.5                    | 100.0 | (2.8)  | 30.0                  | (0.5)  |
| Cost of G. S.       | 20.0                   | 22.2                    | 68.7  | 18.9                    | 63.9  | (3.3)  | 19.7                  | (0.8)  |
| Gross Profit        | 9.9                    | 10.1                    | 31.3  | 10.6                    | 36.1  | 0.5    | 10.3                  | 0.3    |
| S. G. & A. Expenses | 10.6                   | 10.6                    | 32.9  | 10.2                    | 34.8  | (0.4)  | 10.6                  | (0.4)  |
| Operating Income    | (0.7)                  | (0.5)                   | (1.6) | 0.4                     | 1.3   | 0.9    | (0.3)                 | 0.7    |

\* Compared with the same period of previous year

[Factors to decrease profit]

- Decreased gross income by decreased revenue : (0.9)
- Forex loss : (0.2)

[Factors to increase profit]

- Change in evaluation standard and method of inventory assets : +0.2
- Change in inventory valuation method : +0.4
- Improved profitability by price raise of products : +0.8
- Reduced fixed costs : +0.2
- S.G.& A. expenses (distribution cost, etc) : +0.4



# Ordinary Income and Net Income

(JPY bn)

| Item                       | 07/Apr.-Jun.<br>Actual | 08/Apr.- Jun.<br>Actual | 09/Apr.- Jun.<br>Actual | Change | 09/Apr.- Jun.<br>Plan | Change |
|----------------------------|------------------------|-------------------------|-------------------------|--------|-----------------------|--------|
| Operating Income           | (0.7)                  | (0.5)                   | 0.4                     | 0.9    | (0.3)                 | 0.7    |
| Net Financial Income       | (0.3)                  | (0.3)                   | (0.3)                   | -      | (0.3)                 | -      |
| Other Non-operating Income | 0.5                    | 0.4                     | 0.3                     | (0.1)  | 0.3                   | -      |
| Ordinary Income            | (0.5)                  | (0.4)                   | 0.4                     | 0.8    | (0.3)                 | 0.7    |
| Extraordinary Gains        | 0.8                    |                         |                         | -      |                       | -      |
| Extraordinary Losses       | (1.0)                  | (0.2)                   |                         | 0.2    |                       | -      |
| Income before Income Taxes | (0.7)                  | (0.6)                   | 0.4                     | 1.0    | (0.3)                 | 0.7    |
| Taxes, Deferred Taxes      | 0.3                    | 0.1                     |                         | (0.1)  |                       | -      |
| 1Q Net Income              | (0.4)                  | (0.5)                   | 0.4                     | 0.9    | (0.3)                 | 0.7    |

\* Factors of YoY change

[Extraordinary Losses] Reduced past year allowance for directors' retirement benefits : +0.2

# Balance Sheet

(JPY bn)

| Item  | 07/Jun.<br>Actual | 08/Jun.<br>Actual | 09/Jun.<br>Actual | Change       | 09/Mar.<br>Actual |
|---|-------------------|-------------------|-------------------|--------------|-------------------|
| Cash/Cash Equivalents                                 | 7.3               | 8.2               | 6.2               | (2.0)        | 5.7               |
| Accounts Receivables                                  | 32.4              | 35.8              | 30.2              | (5.6)        | 28.7              |
| Inventories<br>(Product Inventory)                    | 48.6<br>30.2      | 42.3<br>25.5      | 44.2<br>28.8      | 1.9<br>3.3   | 42.0<br>27.3      |
| Other Current Assets                                  | 4.3               | 2.6               | 3.2               | 0.6          | 4.2               |
| Fixed Assets  | 94.1              | 92.5              | 90.8              | (1.7)        | 90.4              |
| <b>Total Assets</b>                                   | <b>186.7</b>      | <b>181.4</b>      | <b>174.6</b>      | <b>(6.8)</b> | <b>171.0</b>      |
| Accounts Payables                                     | 38.9              | 38.8              | 38.8              | -            | 43.8              |
| Debts/Borrowings                                      | 63.0              | 69.0              | 59.9              | (9.1)        | 50.7              |
| Other Liabilities                                     | 29.9              | 21.3              | 23.5              | 2.2          | 24.8              |
| <b>(Total Liabilities)</b>                            | <b>131.8</b>      | <b>129.1</b>      | <b>122.2</b>      | <b>(6.9)</b> | <b>119.3</b>      |
| Net Assets<br>(Retained Earnings)                     | 54.9<br>5.1       | 52.3<br>3.6       | 52.4<br>4.5       | 0.1<br>0.9   | 51.7<br>4.1       |
| <b>Total Liabilities and<br/>Shareholders' Equity</b> | <b>186.7</b>      | <b>181.4</b>      | <b>174.6</b>      | <b>(6.8)</b> | <b>171.0</b>      |

## 2. Recent Development in Domestic and Overseas Markets



SanaePZV80



Combine harvester  
HF608 for Chinese market

# Trend of Domestic Agricultural Policy

## [Enhanced food self-sufficiency capacity · food self-sufficiency ratio]

[1] October, 2008 FOOD ACTION NIPPON started.

[2] December, 2008 Time table to attain food self-sufficiency ratio 50% was announced.



Yum-Yum NIPPON  
Increase food self sufficiency  
Ratio 1% campaign which leads  
To relief in the future  
FOOD ACTION NIPPON

[3] December, 2008 FY10 2<sup>nd</sup> Supplementary budget Total amount 146.3 billion yen  
 · Subsidy to promote full paddy utilization (rice powder · feed rice) 38.1 billion yen  
 ▪ Urgent machinery leasing support program to enhance food supply 5.0 billion yen

[4] March, 2009 FY09 MAFF Budget 2.5605 trillion yen (-2.9%)

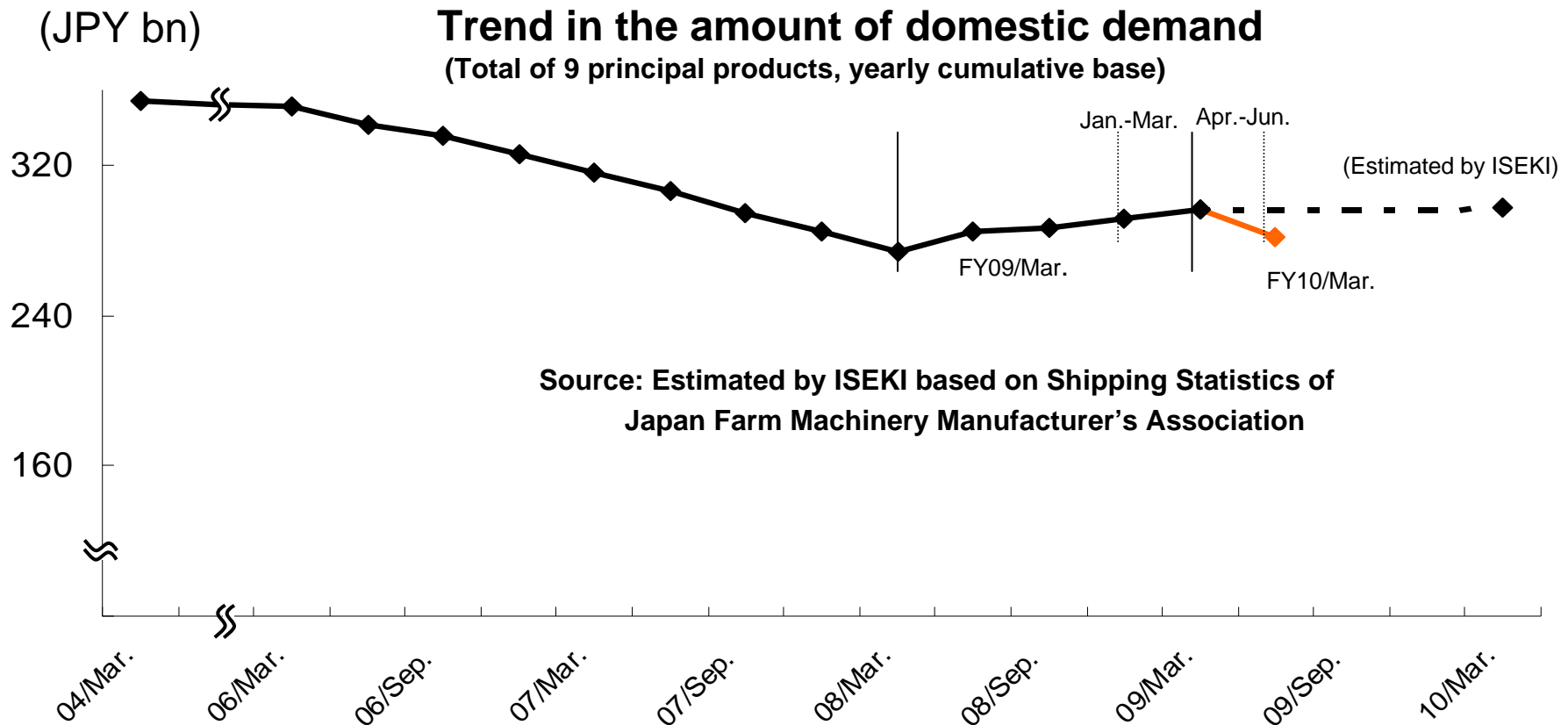
[5] May, 2009 FY09 Supplementary budget Total amount 1.0302 trillion yen

- Program to accelerate integration of farm land (effective use of farm land) 297.9 billion yen
- Urgent machinery leasing support program to enhance food supply 25.0 billion yen (Agricultural machinery)
- Urgent countermeasures for reclamation and reuse of abandoned farm land 15.0 billion yen

[6] June, 09 Revision of Agricultural Land Law [Agricultural Reform of Heisei Era]

# Trend of Domestic Demand for Agricultural Machinery

## Trend of Demand for Agricultural Machinery (Forecast)



# Trend in Domestic Agricultural Machinery Market

## Trend in domestic agricultural machinery industry shipment and effective sales of ISEKI

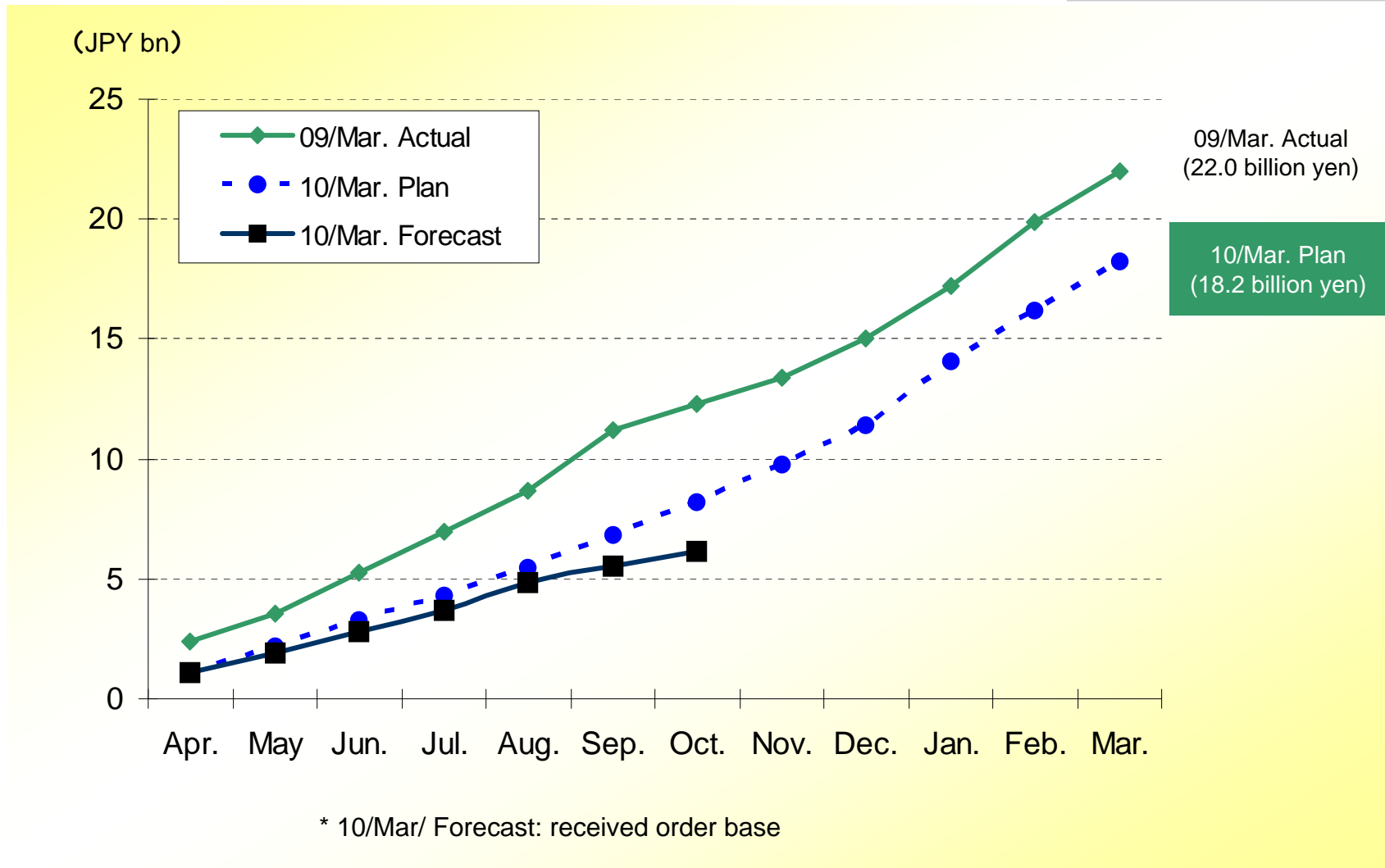
\* Total amount of 9 products, Y o Y growth rate (%)

Source: Estimated by ISEKI based on shipping statistics of Japan Farm Machinery Manufacturer's Association

|                         | 07/Jan.-Jun. | 08/Jan.-Jun. | 09/Jan.-Jun. | 08/Jul.-09/Jun. |
|-------------------------|--------------|--------------|--------------|-----------------|
| Industry (Shipment) *   | 89           | 100          | 93           | 99              |
| ISEKI (Effective sales) | 89           | 111          | 92           | 99              |

- Shipment in the industry remained rather weak compared with Jan.-Jun. of the previous year (YoY, Jan.-Jun.).
- Effective sales of ISEKI remained in line with the market trend.

# Recent Trend of Overseas Product Sales



# Trend in Overseas Markets (North America)

## 1. Compact Tractor Market in North America

\* Tractors with 50PS engines (PTO40PS) or less, and lawn mowers are not included

|                  | 08/<br>Jan.- Jul. | 09/<br>Jan.- Jul. | Y o Y change |     |
|------------------|-------------------|-------------------|--------------|-----|
|                  |                   |                   | Change       | (%) |
| USA              | 67                | 52                | (15)         | 78  |
| Canada           | 9                 | 6                 | (2)          | 74  |
| N. America Total | 75                | 59                | (17)         | 78  |

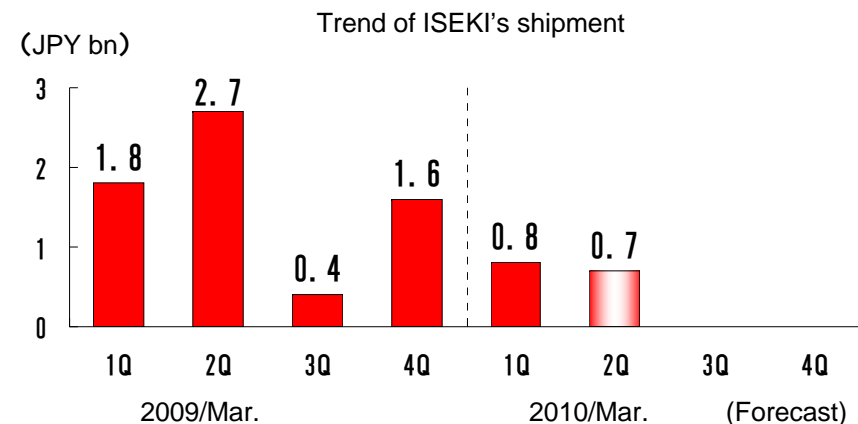
(Unit:1,000 , %)

\* Figures have been rounded and non-adjusted.

Source: AEM statistics (Association of Equipment Manufacturers)

## 2. Trend in ISEKI's Sales (North America)

- The market slowed more than expected in Jan.- Jul.
- OEM partner restrained purchasing in view of the market environment.
- ISEKI's shipment declined sharply.
- However, effective sales moved exceeding market trends due to aggressive promotion.





# Trend in Overseas Markets (Europe)

## 1. Trend in European Market

Sales in Landscaping market

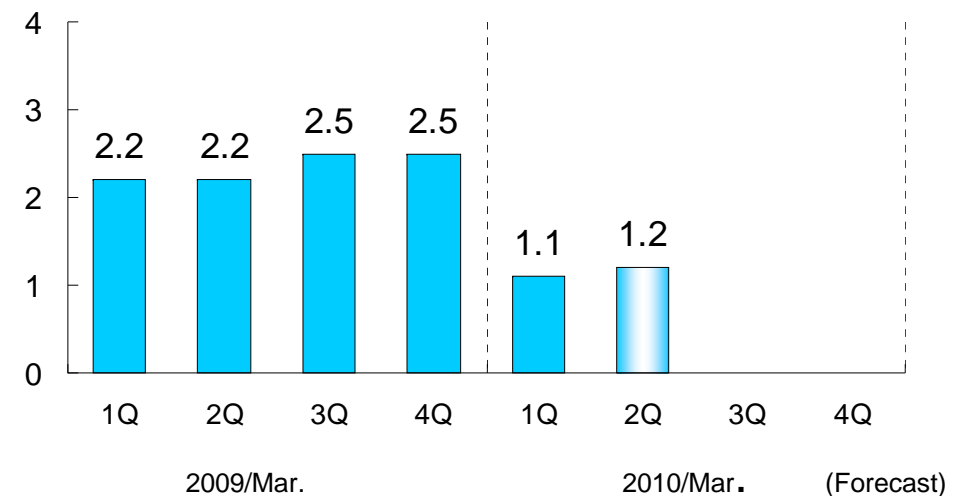
-Despite regional differentials, the impact of recession is significant in general.

## 2. Trend in ISEKI's Sales (Europe)

- Effective sales ratio by European distributors in Jan.- May were 97% compared with the same period of the previous year.
- Distributors raised retail prices due to deteriorated forex environment. They restrain purchase in anticipation of a weaker sales ahead.
- ISEKI's shipping declined.

(JPY bn)

Trends of ISEKI's shipping



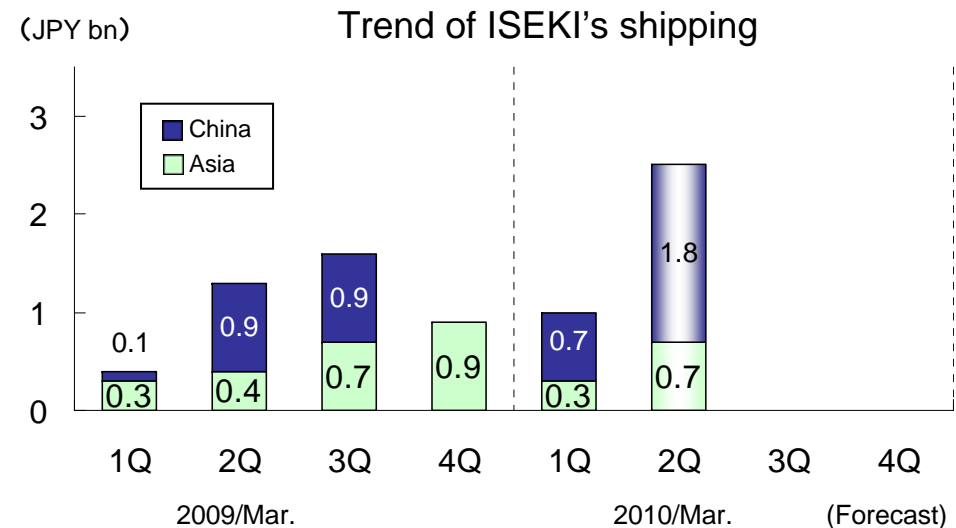
# Trend in Overseas Markets (Asia)

## 1. Trend in Asian Market

- China: Market expansion by strong support from the promotion of farming mechanization policy by the government.
- South East Asia: The market for rice cultivation machinery other than tractors is also expanding due to the policy of increasing paddy farming.

## 2. Trend in ISEKI's Sales (Asia)

- China : Market expanded supported by the agricultural policy. Both rice transplanters and combine harvesters were selling well.
- Korea : Demand declined by the effect of the weaker won. Expectation for early recovery of the economy.
- South East Asia : In spite of a difficult forex environment, sales remained more or less in line with the plan.

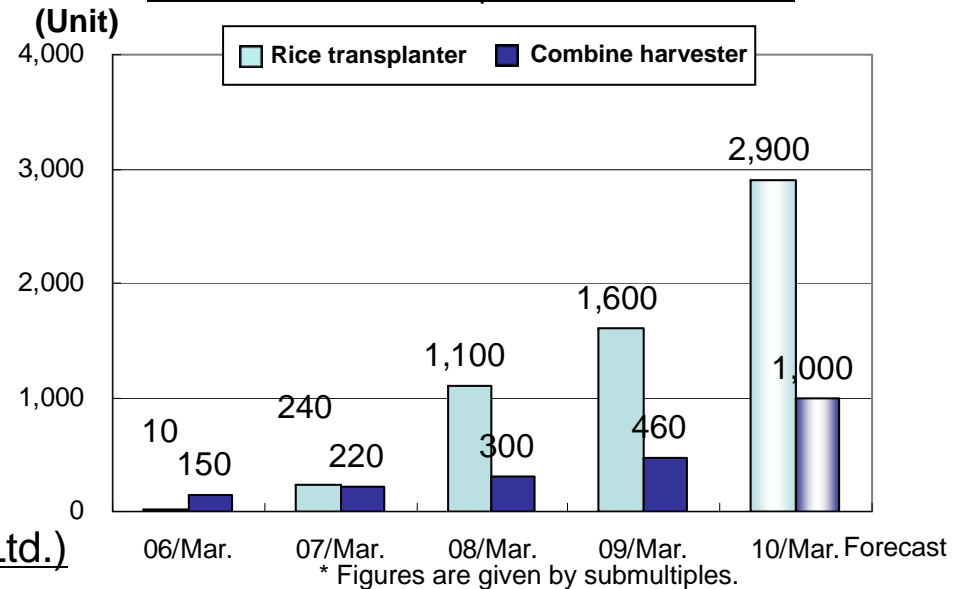


# Performance in Chinese Market

## 1. Sales performance in Chinese market

- Rice transplanters
  - FY06/Mar. : Sales of Walking PC6 and Riding PG6 started.
  - FY08/Mar. : Introduced Riding PZ6 rice transplanter
  - FY10/Mar. : Sales of 2,300 units of PC6 are projected.
- Combine harvesters
  - FY06/Mar. : Introduced 4-rows combine harvester HF448.
  - FY08/Mar. : Introduced HF608
  - FY09/Mar. : Introduced HF558
  - FY10/Mar. : Sales of 950 units of HF608 are projected.

Trend in the number of products sold in China



## 2. CAAMS(China Northern Machinery Co., Ltd.) started production of combine harvester

- Date of opening : June 25, 2009
- Location : Changchun, Jilin Province
- Production model : HF558, HF608
- Production plan : 2009 400-500 units  
2012 700-800 units
- Trade mark : Joint of CAAMS and ISEKI



\* HF608 lined up in the new plant of CAAMS.

# **3. Performance Forecast for the Fiscal Year Ending March 2010 Revised Cumulative Performance Forecast for the Second Quarter**

## Performance Forecast for the Fiscal Year Ending March 2010

(JPY bn)

| Item             | 10/Mar.           |           |                  |           | Change    |           | 09/Mar.   |           | Change    |           |
|------------------|-------------------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                  | Previous Forecast |           | Current Forecast |           | Sum Total | Full Year | Actual    |           | Sum Total | Full Year |
|                  | Sum Total         | Full Year | Sum Total        | Full Year |           |           | Sum Total | Full Year |           |           |
| Net Sales        | 75.0              | 154.0     | 69.5             | 154.0     | (5.5)     | -         | 77.0      | 149.6     | (7.5)     | 4.4       |
| (Domestic)       | 66.0              | 133.0     | 61.5             | 133.0     | (4.5)     | -         | 64.6      | 126.5     | (3.1)     | 6.5       |
| (Overseas)       | 9.0               | 21.0      | 8.0              | 21.0      | (1.0)     | -         | 12.4      | 23.1      | (4.4)     | (2.1)     |
| Operating Income | 1.1               | 3.8       | 1.6              | 3.8       | 0.5       | -         | 1.2       | 1.6       | 0.4       | 2.2       |
| Ordinary Income  | 0.8               | 2.8       | 1.3              | 2.8       | 0.5       | -         | 1.1       | 0.8       | 0.2       | 2.0       |
| Net Income       | 0.3               | 1.6       | 0.8              | 1.6       | 0.5       | -         | 0.7       | 0.0       | 0.1       | 1.6       |

- Company forex rate: \$1=¥100; 1Euro=¥130
- In view of sales trends in domestic and overseas markets, the cumulative 2Q performance forecast has been revised.
- The full year performance remains unchanged due to expectation of a recovery in domestic sales from September despite uncertainty of future economic trends and fluctuation in the exchange rate.

## Revised Performance Forecast (Breakdown of Domestic Sales)

(JPY bn)

|   | 10/Mar.           |              |                  |              | Change       |           | 09/Mar.     |              | Change       |            |
|---|-------------------|--------------|------------------|--------------|--------------|-----------|-------------|--------------|--------------|------------|
|   | Previous Forecast |              | Current Forecast |              | Sum Total    | Full Year | Actual      |              | Sum Total    | Full Year  |
|   | Sum Total         | Full Year    | Sum Total        | Full Year    |              |           | Sum Total   | Full Year    |              |            |
| Agricultural Machinery Total            | 34.8              | 68.2         | 30.2             | 68.2         | (4.6)        | -         | 33.1        | 66.1         | (2.9)        | 2.1        |
| Parts & Farming Implements              | 15.8              | 30.4         | 15.7             | 30.4         | (0.1)        | -         | 15.4        | 29.5         | 0.3          | 0.9        |
| Construction of Facilities              | 1.2               | 7.0          | 1.8              | 7.0          | 0.6          | -         | 1.7         | 4.0          | 0.1          | 3.0        |
| Agricultural Machinery Related Business | 9.9               | 18.5         | 9.7              | 18.5         | (0.2)        | -         | 9.7         | 17.7         | 0.0          | 0.8        |
| Others                                  | 4.3               | 8.9          | 4.1              | 8.9          | (0.2)        | -         | 4.7         | 9.2          | (0.6)        | (0.3)      |
| <b>Total</b>                            | <b>66.0</b>       | <b>133.0</b> | <b>61.5</b>      | <b>133.0</b> | <b>(4.5)</b> | <b>-</b>  | <b>64.6</b> | <b>126.5</b> | <b>(3.1)</b> | <b>6.5</b> |

\*Agricultural Machinery Related Business : Repair fees, Agricultural materials, etc

\*Others : Revenue from coin-operated rice polishing machines and other items.

# Performance Forecast (Breakdown of Overseas Sales)

(JPY bn)

|                         | 10/Mar.            |           |                  |           | Change    |           | 09/Mar.   |           | Change |       |
|-------------------------|--------------------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|--------|-------|
|                         | Previpous Forecast |           | Current Forecast |           |           |           | Actual    |           |        |       |
|                         | Sum Total          | Full Year | Sum Total        | Full Year | Sum Total | Full Year | Sum Total | Full Year |        |       |
| North America           | 2.4                | 5.6       | 1.5              | 5.6       | (0.9)     | -         | 4.5       | 6.5       | (3.0)  | (0.9) |
| Europe                  | 3.0                | 8.1       | 2.3              | 8.1       | (0.7)     | -         | 4.4       | 9.4       | (2.1)  | (1.3) |
| Asia                    | 2.5                | 5.2       | 3.2              | 5.2       | 0.7       | -         | 1.7       | 4.2       | 1.5    | 1.0   |
| (China)                 | 2.0                | 3.4       | 2.5              | 3.4       | 0.5       | -         | 1.0       | 1.9       | 1.5    | 1.5   |
| Australia, etc.         | 0.2                | 0.4       | 0.1              | 0.4       | (0.1)     | -         | 0.6       | 0.9       | (0.5)  | (0.5) |
| Overseas Products Total | 8.1                | 19.3      | 7.1              | 19.3      | (1.0)     | -         | 11.2      | 21.0      | (4.1)  | (1.7) |
| Parts & Others          | 0.9                | 1.7       | 0.9              | 1.7       | -         | -         | 1.2       | 2.1       | (0.3)  | (0.4) |
| Total                   | 9.0                | 21.0      | 8.0              | 21.0      | (1.0)     | -         | 12.4      | 23.1      | (4.4)  | (2.1) |

## Performance Forecast ( Breakdown of Operating Income )

(JPY bn)

| Item                | 10/Mar.           |           |                  |           | Change    |           | 09/Mar.   |           | Change    |           |
|---------------------|-------------------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                     | Previous Forecast |           | Current Forecast |           | Sum Total | Full Year | Actual    |           | Sum Total | Full Year |
|                     | Sum Total         | Full Year | Sum Total        | Full Year |           |           | Sum Total | Full Year |           |           |
| Net Sales           | 75.0              | 154.0     | 69.5             | 154.0     | (5.5)     | -         | 77.0      | 149.6     | (7.5)     | 4.4       |
| (Domestic)          | 66.0              | 133.0     | 61.5             | 133.0     | (4.5)     | -         | 64.6      | 126.5     | (3.1)     | 6.5       |
| (Overseas)          | 9.0               | 21.0      | 8.0              | 21.0      | (1.0)     | -         | 12.4      | 23.1      | (4.4)     | (2.1)     |
| Cost of G. S.       | 51.9              | 105.3     | 46.5             | 105.3     | (5.4)     | -         | 53.6      | 103.7     | (7.1)     | 1.6       |
| Gross Profit        | 23.1              | 48.7      | 23.0             | 48.7      | (0.1)     | -         | 23.4      | 45.9      | (0.4)     | 2.8       |
| S. G. & A. Expenses | 22.0              | 44.9      | 21.4             | 44.9      | (0.6)     | -         | 22.2      | 44.3      | (0.8)     | 0.6       |
| Operating Income    | 1.1               | 3.8       | 1.6              | 3.8       | 0.5       | -         | 1.2       | 1.6       | 0.4       | 2.2       |



# 4.Topics

- Recent topics
- Intellectual Property Rights



Inside ridge processor (trapezoidal spec)

## Recent Topics

April 1 Established Agricultural Machinery Creative Department.



June 17 Announced electric-powered cultivator KDC20.

June 19 Basic agreement with Mitsubishi Heavy Industries, Ltd. for cooperation in diesel engines.

June 26 Announced technology licensing to a local company in Jilin Province, China.

August 1 Established Agri-Business Solution Department.

# Intellectual Property Right

## 1. Patent assessment ratio and rank in all industries

\*Ranked 1st for 5 years running

|                         | 2004  | 2005  | 2006  | 2007  | 2008  |
|-------------------------|-------|-------|-------|-------|-------|
| Patent assessment ratio | 84.6% | 83.7% | 90.4% | 89.3% | 85.8% |
| Rank in all industries  | First | First | First | First | First |

※ Patent assessment ratio= Number of Decision to patent grant / (Number of Decision to patent grant + Number of Decision of Refusal + Number of Withdrawal/ Abandonment)

## 2. Number of public patents by sector and rank

|        | 2000 – 2006               | 2007                         |
|--------|---------------------------|------------------------------|
| Sector | Agriculture and fishery   | *The other special machinery |
| Rank   | First for 7 years running | First                        |

\* Since the 2009 edition, the sector classification has been changed, and agriculture and fisheries were included in [the other special machinery sector].

Source: “2009 Annual Report on Patent Policy” announced by the Japan Patent Office on June 12, 2009.

# Notes on the Future Forecast

- The objective of this presentation document is to provide information, and it is not intended to invite any action.
- The document has been prepared by ISEKI based on currently available information and it involves potential risks and uncertainties. The forecast may not be consistent with actual results depending on fluctuation of the economic situation and market trends.
- In using this information, investors are expected to depend on their own judgment. ISEKI is not liable for any losses incurred by investment decision made utilizing the business forecast or targets given in this document.



Increase food self sufficiency ratio 1% campaign which leads to relief in the future

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