May 12, 2011

Name of Listed Company	ISEKI & CO., LTD.	Stock Exchange Listing	Tokyo
Company Code:	6310 (URL http://www.iseki.co.jp)		
Representative: Title	President	Name	Seiichiro Gamo
Enquiries: Title	General Manager of Corporate Planning Depertment	Name	Shunichi Suzuki Telephone: +81 3 5604 7709
Date of the Regular Meeting of Shareholders:			June 28, 2011
Date of Submission of the Securities Report:			June 29, 2011
Supplementary Explanatory Material:			Prepared
Information Meeting:			Scheduled (for institutional investors and analysts)

Summary Announcement of Consolidated Financial Results for the Fiscal Year Ended March 31, 2011 (Japanese GAAP)

I. Financial Results for the Fiscal Year Ended March 31, 2011 (April 1, 2010－March 31, 2011)

A. Results of operations

(Rounded down to millions of yen, % indicates changes from the previous period)

	Year Ended March 31, 2011	%	Year Ended March 31, 2010	%
Net Sales	147,826	(1.0)	149,314	(0.2)
Operating Income	2,803	(37.9)	4,515	186.2
Ordinary Income	2,006	(45.2)	3,657	373.9
Net Income	(918)	-	2,347	-
Net Income per Share (yen) Non-diluted Fully Diluted	(4.00) -		10.29 10.21	
Return on Equity (%)	(1.7)		4.5	
Return on Total Assets (%)	1.2		2.1	
Operating Income to Net Sales (%)	1.9		3.0	

Note: Comprehensive income

Year ended March 31, 2011 ¥(979) mil. (- %) Year ended March 31, 2010 ¥2,541 mil. (- %)

Reference: Investment gain (loss) by equity method

Year ended March 31, 2011 - Year ended March 31, 2010 -

B. Financial Position

(Rounded down to millions of yen)

	March 31, 2011	March 31, 2010
Total Assets	169,168	171,044
Net Assets	54,617	55,604
Shareholders' Equity to Total Assets Ratio (%)	31.4	31.6
Net Assets per Share (yen)	231.13	235.46

Reference: Shareholders' equity

Year ended March 31, 2011 ¥53,108 mil. Year ended March 31, 2010 ¥54,109 mil.

C. Cash Flows

(Rounded down to millions of yen)

	Year Ended March 31, 2011	Year Ended March 31, 2010
Net Cash Provided by (used in) Operating Activities	7,060	7,326
Net Cash Provided by (used in) Investment Activities	(5,674)	(4,320)
Net Cash Provided by (used in) Financing Activities	(2,515)	(2,080)
Cash and Cash Equivalents at End of Period	5,585	6,614

II. Dividends

	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ending March 31, 2012 Forecast
Dividend per share (yen) End of fiscal year	0.00	0.00	-
Annual	0.00	0.00	-
Annual cash dividend per share	-	-	
Payout ratio (%, consolidated)	-	-	-
Ratio of dividend to net assets (%, consolidated)	-	-	

Note: As we have yet to determine the specific expected dividend amount, forecasts for the fiscal year-end and full year are indicated with a dash.

III. Forecast for the Fiscal Year Ending March 31, 2012 (April 1, 2011－March 31, 2012)

(Rounded down to millions of yen, % indicates changes from the previous same period)

	Net Sales	%	Operating Income	%	Ordinary Income	%	Net Income	%	Net Income per Share (yen)
Interim	72,500	(3.9)	1,900	(17.1)	1,700	(3.6)	1,000	-	4.35
Annual	147,000	(0.6)	2,900	3.4	2,200	9.7	900	-	3.92

IV. Others

A Changes in important subsidiaries during the period (change in specified subsidiaries which accompanies a change in the range of consolidation): None.

B Changes in principle, procedure and method of statement of accounting procedures

1) Change which accompanies revision of accounting standards: Yes

2) Change other than No.1. No

Note: For details, please refer to the “Changes in Important Basic Items for Preparing Consolidated Financial Statements”, P24.

C Outstanding shares (common shares)

1) Outstanding shares (including treasury stocks)	As of March 31, 2011	229,849,936 shares
	As of March 31, 2010	229,849,936 shares
2) Outstanding treasury stocks	As of March 31, 2011	73,082 shares
	As of March 31, 2010	44,223 shares
3) Average number of shares	As of March 31, 2011	229,791,896 shares
	As of March 31, 2010	227,997,350 shares

Note: Please refer to P31 "Per Share Information" as to the number of shares which provides a base for calculating net income per share (consolidated).

(Reference) Non-consolidated Financial Results

I. Financial Results for the Fiscal Year Ended March 31, 2011 (April 1, 2010－March 31, 2011)

A. Results of operations

(Rounded down to millions of yen, % indicates changes from previous period)

	Year Ended March 31, 2011	%	Year Ended March 31, 2010	%
Net Sales	90,560	(0.3)	90,871	0.6
Operating Income	161	(86.6)	1,197	-
Ordinary Income	1,161	(23.7)	1,522	(3.6)
Net Income	(430)	-	1,607	44.8
Net Income per Share (yen)				
Non-diluted	(1.88)		7.05	
Fully Diluted	-		6.99	

B. Financial Position

(Rounded down to millions of yen)

	March 31, 2011	March 31, 2010
Total Assets	120,661	123,238
Net Assets	50,030	50,495
Shareholders' Equity to Total Assets Ratio (%)	41.5	41.0
Shareholders' Equity per Share (yen)	217.74	219.73

Reference: Shareholders' Equity

Year ended March 31, 2011 ¥50,030 mil. Year ended March 31, 2010 ¥50,495 mil.

*Statement regarding state of implementation of review procedure: This summary of financial results is exempt from audit procedures under the Financial Instruments and Exchange Act. At the time of disclosure, published figures in the Summary Announcement have been subject to an audit.

*Cautionary statement: The forecast for operating results has been determined based on information presently available, as well as on assumptions that the Company believes to be reasonable. It is possible that in the future, actual results may differ from the anticipated figures for a variety of reasons. Please refer to "Analysis of Management Performance" on page 2 of the supplementary material for the assumptions underlying the forecasts and precautions when using the forecasts.

○ Table of contents for supplementary material

1. Management Performance

(1) Analysis of Management Performance

During the fiscal year under review, Japan's economy gradually recovered due to improving overseas economies and the effects of various economic measures implemented by the government; however, it also brought several risk factors such as deflation and a worsening employment situation. In addition, taking into account the considerable impact of the Great East Japan Earthquake on Japan's economy, the economic outlook is expected to remain unclear in the near future.

Under such circumstances, the ISEKI Group adopted the slogan "Cheering Squad Supporting the Dream of Agriculture! ISEKI," and developed aggressive marketing activities by extending the range of its new products in response to diversifying customer needs.

(Consolidated business performance of the year under review)

In the fiscal year ended March 31, 2011, net sales decreased ¥1,487 million from a year earlier to ¥147,826 million (down 1.0% year on year). Domestic sales decreased ¥2,549 million from a year earlier to ¥128,703 million (down 1.9% year on year), and overseas sales increased ¥1,061 million to ¥19,123 million (up 5.9% year on year).

Operating income decreased ¥1,712 million from a year earlier to ¥2,803 million (down 37.9% year on year), mainly due to a decline in gross profit, following a decrease in revenue and the effects of the yen's appreciation. Ordinary income decreased ¥1,651 million from a year earlier to ¥2,006 million (down 45.2% year on year). Net income declined ¥3,265 million from a year earlier to a net loss of ¥918 million, as a result of posting a loss on valuation of investment securities, loss on adjustment for changes of accounting standard for asset retirement obligations, and loss from disaster related to the Great East Japan Earthquake.

(Non-consolidated business performance of the year under review)

In the fiscal year under review, net sales totaled ¥90,560 million (down 0.3% year on year), operating income was ¥161 million (down 86.6% year on year), and ordinary income amounted to ¥1,161 million (down 23.7% year on year). The Company recorded a net loss of ¥430 million.

Business performance by segment is as follows.

As a result of applying "Accounting Standard for Disclosure of Segments of an Enterprise and Related Information" (Accounting Standards Board of Japan ("ASBJ") Statement No. 17, March 27, 2009) and "Guidance on the Accounting Standard for Disclosures of Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued on March 21, 2008) from the fiscal year under review, the Company has classified its business segments as "agriculture-related business" and "other business."

Figures for the previous fiscal year have been reclassified in accordance with the new segments for comparison with figures from the fiscal year ended March 31, 2011.

1) Agriculture-related business

Sales in the agriculture-related business in Japan declined due to a sluggish agricultural machinery market since last autumn following a fall in rice prices, and due to the completion of a number of large dryer facilities etc, during the previous fiscal year. Overseas, overall sales increased due to a recovery of orders from firms under OEM agreements in North America following inventory adjustments, and an increase in sales for European countries. Meanwhile, orders from Korean companies decreased due to the depreciation of the Korean won, and lower sales were recorded in China stemming from a decline in sales of combine harvesters, which was partially offset by favorable sales of rice transplanters.

Sales by product are as follows.

(Domestic)

Sales of cultivating & mowing machinery (tractors, high-clearance multipurpose vehicles, etc.) amounted to ¥26,681 million (down 3.4% year on year), and sales of planting machinery (rice transplanters and vegetable transplanters) totaled ¥11,567 million (up 1.1% year on year). Sales of harvesting and processing machinery (combine harvesters, etc.) were ¥25,505 million (down 0.9% year on year). Moreover, sales of spare parts and farming implements reached ¥30,993 million (up 1.8% year on year), while sales of other agriculture-related business (including construction of facilities, etc.) declined to ¥33,811 million (down 5.6% year on year).

(Overseas)

Sales of cultivating & mowing machinery (tractors, etc.) increased to ¥13,093 million (up 13.2% year on year), and sales of planting machinery (rice transplanters, etc.) amounted to ¥2,521 million (up 2.3% year on year). Sales of harvesting and processing machinery (combine harvesters, etc.) declined to ¥1,591 million (down 27.7% year on year). Sales of spare parts and farming implements totaled ¥1,096 million (up 3.5% year on year), while sales of other agriculture-related business were ¥819 million (up 6.7% year on year).

As a result, sales in the agriculture-related business segment totaled ¥147,682 million.

2) Other business

The Company develops, sells, and operates computer software in the “other business” segment. Sales in the other business segment amounted to ¥144 million.

3) Forecast for the Next Consolidated Fiscal Year

Japan’s economy has become more unpredictable in view of the immeasurable damage caused by the Great East Japan Earthquake. Looking at the operating environment of the domestic agriculture industry, investment in agricultural machinery is expected to decline in areas affected by the earthquake due to salt damage and harmful rumors. On the other hand, with the launch of the individual (household) income support system for agriculture from fiscal year 2012, aiming at improving food self-sufficiency, we expect the agricultural sector to become more active nationwide. Under such conditions, we anticipate agricultural machinery demand for the fiscal year ending March 31, 2012 to remain weak as a whole, and sales of agricultural machinery in Japan to be lower compared to the fiscal year under review. Living up to the Group’s slogan “Cheering Squad Supporting the Dream of Agriculture! ISEKI,” we will develop aggressive marketing activities for energy conservation and low-cost agricultural machinery. To our core commemorative model, launched in fiscal year 2011 to celebrate the Company’s 85th anniversary, we will add new five- to seven-reaping row combine harvesters as part of our flagship machinery “Combine Japan series,” the new “Combine HFC 433,” and complete the entire series of our highly competitive tractors. We will also enhance our services and strengthen our sales activities to overcome fierce competition, and thereby maintain the current level of sales in the domestic market.

Overseas, we expect sales to increase by firmly establishing the ISEKI brand through the active marketing of rice transplanters in China.

In terms of profitability, we will endeavor to secure profits by actively cutting manufacturing costs and administrative expenses, despite rising materials costs and disruptions in the supply chain caused by the Great East Japan Earthquake.

(2) Analysis of Financial Position

Total assets at the end of the fiscal year decreased ¥1,876 million year on year, to ¥169,168 million. Looking at the breakdown, current assets decreased ¥2,095 million year on year. Noncurrent assets increased ¥219 million from a year earlier. Total liabilities decreased ¥888 million year on year, primarily due to a decline in interest-bearing liabilities. Net assets also decreased ¥987 million year on year, to ¥54,617 million, due primarily to a net loss posted in the fiscal year under review. The equity ratio was 31.4%.

(Net cash provided by (used in) operating activities)

Net cash provided by (used in) operating activities provided a net cash inflow of ¥7,060 million (down ¥265 million year on year), comprised principally of income before income taxes of ¥202 million and depreciation and amortization of ¥5,666 million.

(Net cash provided by (used in) investment activities)

Net cash provided by (used in) investment activities resulted in a net cash outflow of ¥5,674 million (up ¥1,354 million year on year), comprised principally of capital investment expenditures of ¥5,364 million.

(Net cash provided by (used in) financing activities)

Net cash provided by (used in) financing activities amounted to a net cash outflow of ¥2,515 million (up ¥435 million year on year), due primarily to the repayment of interest-bearing liabilities.

Reference: The trend of cash flow indicators is as follows.

Indicator		Mar. 31, 2008	Mar. 31, 2009	Mar. 31, 2010	Mar. 31, 2011
Equity ratio	(%)	29.4	29.4	31.6	31.4
Market-based equity ratio	(%)	21.1	31.4	37.2	25.9
Cash flow/Interest-bearing liabilities Ratio	(times)	15.0	5.7	6.3	6.2
Interest coverage ratio	(times)	3.3	7.6	7.1	7.9

- Equity ratio: Shareholders’ equity / Total assets
- Market-based equity ratio: Total market price of shares / Total assets
- Cash flow/Interest-bearing liabilities ratio: Interest-bearing liabilities / Operating cash flow
- Interest coverage ratio: Operating cash flow / Interest payments

Notes: 1. All figures have been calculated using consolidated-based financial figures.

2. The total market price of shares is the product of the per-share closing price at the end of the period and the total number of shares outstanding (less treasury stocks) at the end of the period.
3. The Operating cash flow uses the Net Cash Provided by (Used in) Operating Activities as per the Consolidated Statements of Cash Flows. Interest-bearing liabilities use all the loans payable and bonds as recorded in the Consolidated Balance Sheets. The Interest payments use the interest paid as recorded in the Consolidated Statements of Cash Flows.

(3) Basic Policy on Profit Distribution and Dividends for Fiscal Year 2011 and 2012

We recognize that the method for determining dividends to be paid to shareholders is one of the most important policies to be made. Our basic policy is to keep steady and improved dividend distribution, taking into consideration, not just consolidated financial results, but our Group's financial position and future business movements.

With respect to dividends for the fiscal year ended March 31, 2011, because the Company registered a net loss, we have decided not to pay year-end dividends.

With respect to dividends for the fiscal year ending March 31, 2012, we have yet to decide the dividends because we expect demand for agricultural machinery to decline in the wake of a fall in investment appetite due to the Great East Japan Earthquake, and the somber outlook for our operating environment with rising materials prices and unstable movements of foreign currencies such as the euro and the US dollar. We will announce our dividend policy for the fiscal year ending March 31, 2012, as soon as we have a clearer view of our earnings.

We are determined to take the necessary steps to reinforce the basis of our earnings so that we will be able to secure profit stability, aiming at the earliest possible resumption of dividend payments.

(4) Risks Which Could Affect Our Business

Latent risks and uncertainties which could affect our future financial performance are exemplified as below:

1) Economic Conditions and Changes in the Environment of Agriculture

Sluggishness of domestic and/or overseas economic conditions and any change in the agriculture policy may negatively affect our financial performance through reduced demand for agricultural machinery.

2) Exchange Rate Fluctuation

There is a possibility that fluctuation of foreign exchange may negatively affect our financial performance.

3) Hike in Interest Rates

There is a possibility that a hike in interest rate may harm our financial performance.

4) Stock Market Fluctuation

As we hold securities, stock price declines may cause a loss.

5) Competition with Other Companies

We are involved in fierce competition with other companies in the market, and unless overall product competitiveness, including relevant services, is maintained, there is the possibility of a decline in our performance.

6) Risks Derived from International Business

Unexpected changes in tax and legal systems or political unrest of any particular country may cause harm to our financial performance.

7) Dependency on Specific Customers or Suppliers

Any change of business policy, business depression and failure of our specific customers or suppliers may harm our financial performance.

8) Serious Defects in Products and Services

The occurrence of serious defects in our products or services may negatively affect our financial performance.

9) Government Regulation on Environmental Issues, etc., and Occurrence of Related Difficulties

Substantial costs may be incurred related to our products or business activities due to necessitated responses to public regulation of environmental issues etc., corrective measures undertaken upon the occurrence of troubles, lawsuits and other situations which could lead to a deterioration of our financial performance.

10) Risk of Natural Disasters and Accidents

Earthquakes, typhoons or unexpected accidents may occur, which may do harm to our financial performance.

In addition, a fall in production activities due to damage caused by the Great East Japan Earthquake, including restrictions on electricity supplies and disruptions in the supply chain, may harm the ISEKI Group's business performance and financial position.

11) Risk of Legal Violation

In offering products and service of the ISEKI Group, we are subject to provisions of laws such the truth-in-advertising laws and the JIS law, etc. In purchasing raw materials, the Antitrust Law as well as the Subcontract Law requires fair and transparent dealings. Also application of environmental laws requires compliance-oriented management, and we are determined to dedicate ourselves to accomplish complete legal compliance, by preparing an internal control system. In spite of such efforts, if any of our directors and/or employees should conduct themselves in any way that violates laws and regulations, there is a possibility that the business activities of our group will be restrained causing increased costs or decreased revenues, leading to deteriorated performance.

12) Debt

We have concluded syndicate loan or commitment line contracts with financial institutions. Should any of the financial conditions of these contracts be triggered, we could face obligations to pay back some or all of these loans, which could negatively affect the financial position of the Company.

The forecasts for future results and target figures produced by Iseki & Co., Ltd., are based on information available as the day of this announcement, and assumptions made as of the same day regarding a number of latent risks and uncertainties that could affect future financial performance. Actual results could differ considerably depending on economic conditions, market trends, and future conditions for business operations hereafter.

2. The Iseki Group

The main business of the Iseki Group is the development, manufacture and sale of agricultural machinery for rice and vegetable farming, among other related areas.

Position of the business in the Iseki Group is stated in follows.

(Agriculture-related Business)

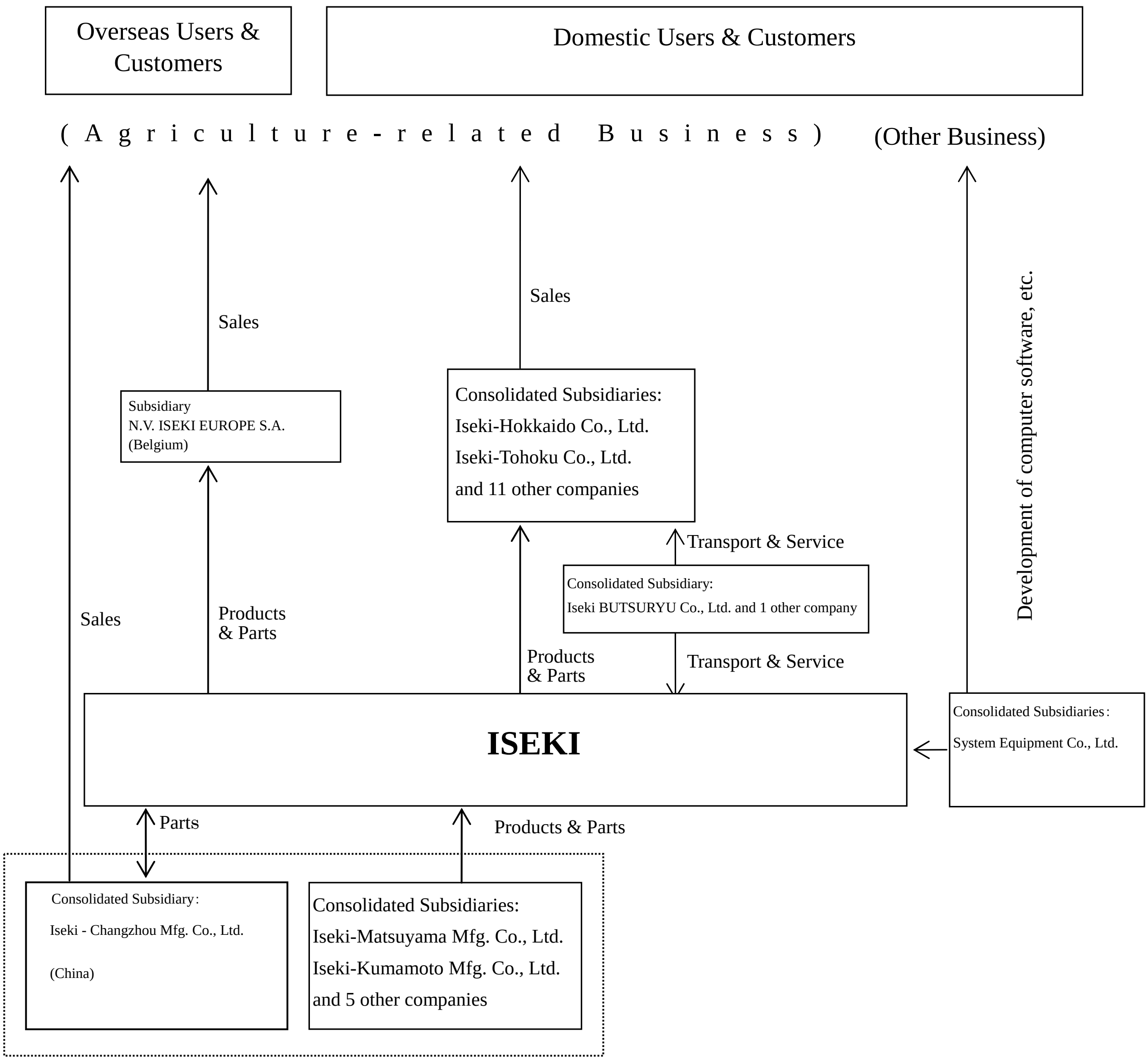
The Company primarily handles the development and design of agricultural machinery.

Six companies, including Iseki-Matsuyama Mfg. Co., Ltd. and Iseki-Kumamoto Mfg. Co., Ltd., handle our agricultural machinery manufacturing and component processing activities, and 13 domestic sales companies market and sell the machinery across the country. Overseas marketing operations are handled by local distributors and affiliates as well as a wholly owned subsidiary in China, Iseki–Changzhou Mfg. Co., Ltd.

(Other Business)

System Equipment Co., Ltd. is engaged in various businesses including the development of computer software.

Following is a schematic diagram of the Iseki Group.



3. Iseki's Management Policies

(1) Iseki's Basic Management Principles

Since it was established over 80 years ago, ISEKI has been contributing to the modernization of Japan's agricultural industry as a full-line manufacturer specializing in agricultural machinery. Over this time, we have consistently pursued efficient and labor-saving advances in agriculture, and have served the market by pioneering the development of a quantity great deal of agricultural machinery and facilities.

When we consider the questions of an increasing world population and food supply, and then our own nation's food self-sufficiency and land preservation, our role to serve the farming sector becomes important and our duty to society as a manufacturer of agricultural machinery becomes even more significant.

ISEKI will continue to operate under a basic business philosophy of "providing products that delight our consumers" so that the Company can contribute to agriculture, both in Japan and throughout the world.

To reach this goal, our highest priority objectives are "to promote our brand name products, to improve quality, to accelerate cost-cutting measures and to strengthen our service". We are aiming for a corporate culture that can maintain a stable operating performance and will continue in our efforts to reform our profit structure.

(2) Long-term Management Strategies

Positioning the agricultural industry and agricultural machinery as the basis of our business, we will support energy conservation and low-cost agriculture with the goal of contributing to the development of agriculture in Japan and the world. Our basic strategies are as follows.

(a) The expansion of overseas sales

(b) To increase market share in domestic agricultural machinery market

(c) To strengthen product competitiveness further

(d) To improve consolidated financial position by strengthening earning power and cash flow

The ISEKI Group intends to focus on recovery efforts following the Great East Japan Earthquake in the fiscal year ending March 31, 2012. With rising material costs and unpredictable movements of foreign currencies, the Group's operating environment is expected to remain difficult. Nevertheless, the Group will work to earn profits even under such constraints by uncompromisingly reducing manufacturing costs and administrative expenses, to turn itself into a strong company that can resume steady growth.

(3) Issues to Be Addressed

1) Group internal control

(a) Compliance-oriented management

Fundamental Stance on and Preparation for Internal Control System

Positioning the firm establishment of the Group internal control system as one of the priory issues of management policy, we have determined a fundamental policy for our internal control system, based on which we have established an internal control system and revised it as necessary. Regarding the internal control system, to ensure the efficient execution of directors' duties, we have not merely prepared various regulations and systems such as job assignment and internal control regulations. Rather, important issues are discussed multilaterally and are reviewed at meetings attended by management. Furthermore, we have a system in place that properly oversees any information related to job execution, such as minutes of Board of Directors' meetings and approval documents in accordance with the Board of Directors Regulations and the Document Control Regulations.

In terms of a compliance system, a companywide "compliance team" under the supervision of the director in charge of compliance endeavor to prevent any occurrence of injustice and misconduct by ensuring a full understanding of compliance on the part of all directors and employees by continuously holding compliance seminars under the direction of compliance team.

As an organization concerned with internal control, we created a "Management Control Section" under the control of the Head of the Development & Production Division in 2007, which assumed the ordinary monitoring function of our manufacturing subsidiaries. Thus, we intend to strengthen the control function of our manufacturing subsidiaries.

Sales and other subsidiaries handle internal auditing on their own, as each Group company has a separate internal auditing function. Furthermore, we created a "Management Control Section" under the Head of the Business Division in 2007, which inspects the degree of implementation of internal auditing and gives guidance when necessary.

We also created a "Management Supervisory Committee" in 2007, with the president as chairperson, the directors as members and all auditors as observers, so that we can follow the discussion of various measures and their level of progress, as well as check the degree of thoroughness of compliance.

(b) Rejection of antisocial forces

i. Fundamental stance on rejection of antisocial forces

We actively work against any possibility of a relationship with antisocial forces or groups, manifesting the policy in the "ISEKI Group Code of Ethical Behavior".

ii. State of preparation for rejecting antisocial forces

To establish corporate ethics of ISEKI and the Group companies, we show action guidelines regarding antisocial forces in the "ISEKI Group Code of Ethical Behavior" and we have prepared the following systems to reject antisocial forces and relevant activities.

a. The General Affairs Department is in charge of antisocial forces measures and, depending on the circumstances, acts in consultation with the relevant departments and sections.

b. The Company has established a system to cope with antisocial forces based on maintaining normal contact and association with external organizations such as the police department and the National Center for the Elimination of Boryokudan and lawyers.

We also belong to the Metropolitan Area Violation Prevention Association and receive regular guidance as well as share information.

2) Important issues

In the midst of a drastically changing market environment, we will accelerate the reform of our earnings structure, which will enable us to secure stable earnings for the foreseeable future. Along with our efforts to expand sales through enhanced customer satisfaction by providing high-quality products and services that support energy conservation and low-cost agriculture from a customer perspective, we endeavor to establish a low-cost structure and strengthen consolidated financial stability.

(a) Growth in domestic sales and expansion of overseas sales

In the face of intensifying competition in the market, we have positioned “Growth in domestic sales and expansion of overseas sales” as our most important managerial issues, trying to attain comprehensive enhancement of efficiency, quality, price and service by concentrating on the total group potentiality to strengthen our product competitiveness. We will not only carry out fundamental quality improvement in our products, fully recognizing market needs, but also ensure that product planning and introduction to the market are executed in a timely manner. In the domestic market, we aim at achieving sales growth through efficient sales promotion, taking advantage of agile sales companies with extensive territories, as well as through further enhancement of customer satisfaction from strengthened sales and service performance. In our efforts to expand overseas sales, we will endeavor to fortify our sales and service system in the Asian market, which has growth potential, and plan to increase sales and firmly establish ourselves in Asia. In North American and European markets, the currencies of which have depreciated against the yen, we will seek to expand sales through the introduction of new products.

(b) Upgrading quality and cost structure reform

Our first priority lies with products that garner a high reputation among our customers, as we are improving our development process in the pursuit of zero defects. Our development and manufacturing operations are working together to improve the production process and establish a framework that guarantees product quality.

To reform our cost structure, we have established the Cost Reduction Committee and are taking steps to fundamentally improve earnings. Since cost structure reform is the source of greater profits, we will work to reduce procurement costs by combining all of our plants to implement optimum procurement methods. In product development, we will implement fundamental cost reductions starting with the early development phase, striving to decrease the number of parts, reduce weight, and cut the number of parts that must be managed. For our production structure, we have implemented structural reforms, including restructuring, to streamline our organization. Throughout the Group, we will endeavor to secure our profitability by cutting fixed costs and reducing administrative losses and operating expenses.

(c) Creating a “Communicative corporate culture” by nurturing personnel

Through the efforts of the Personnel Revitalization Committee, the Company is trying to improve its line of communication, thereby revitalizing its employees. The Company is considering and implementing various methods, including appropriate job rotations, the exchange of personnel between organizations, and conducting training and education programs.

Moreover, we aim to address a number of environmental issues, which we regard as key managerial issues. We will strengthen our commitment to conserving resources, saving energy, recycling, reducing greenhouse gas emissions and noise pollution, among other efforts.

(d) Toward a full recovery from the Great East Japan Earthquake

Measures aimed at a full recovery from the unprecedented damage caused by the Great East Japan Earthquake is an important management issue for the Company and the ISEKI Group. We have set up “the Great East Japan Earthquake Recovery Office” right after the earthquake in the Business Division to support people affected by the earthquake in various ways. We intend to continue supporting them going forward until full recovery is achieved.

We will be establishing a system to deliver our products and parts reliably to customers in the affected areas and to our consolidated sales company Iseki-Tohoku Co., Ltd. We will also be working toward a full recovery of our production activities, which are hampered by disruptions in the supply chain at the moment.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of yen)

	FY2010 (as of Mar. 31, 2010)	FY2011 (as of Mar. 31, 2011)
Assets		
Current Assets:		
Cash and deposits	6,705	5,696
Notes and accounts receivable-trade	29,320	28,688
Short-term investment securities	19	19
Merchandise and finished goods	37,136	37,216
Work in process	3,219	2,569
Raw materials and supplies	1,114	1,180
Deferred tax assets	963	632
Others	2,356	2,720
Allowance for doubtful accounts	(74)	(60)
Total Current Assets	80,761	78,665
Noncurrent Assets:		
Property, plant and equipment		
Buildings and structures, net	14,835	14,909
Machinery, equipment and vehicles, net	7,832	7,291
Tools, furniture and fixtures, net	2,486	2,113
Land	50,190	50,173
Lease assets, net	3,692	4,863
Construction in progress	643	521
Other, net	17	18
Total property, plant and equipment	79,697	79,890
Intangible assets	883	948
Investments and other assets		
Investment securities	5,272	5,186
Long-term loans receivable	175	180
Deferred tax assets	724	781
Other	3,985	3,951
Allowance for doubtful accounts	(455)	(436)
Total investments and other assets	9,702	9,663
Total Noncurrent Assets	90,283	90,503
Total Assets	171,044	169,168

(millions of yen)

	FY2010 (as of Mar. 31, 2010)	FY2011 (as of Mar. 31, 2011)
Liabilities		
Current Liabilities:		
Notes and accounts payable-trade	41,773	41,950
Short-term loans payable	15,846	17,883
Current portion of bonds	1,060	-
Current portion of long-term loans payable	13,376	11,220
Lease obligations	1,107	1,603
Accrued consumption taxes	449	516
Income taxes payable	753	463
Deferred tax liabilities	25	4
Accrued expenses	4,237	3,332
Provision for bonuses	416	821
Provision for loss on disaster	-	174
Other	2,724	3,319
Total Current Liabilities	81,770	81,290
Noncurrent Liabilities:		
Bonds payable	-	100
Long-term loans payable	15,958	14,277
Lease obligations	2,937	3,771
Deferred tax liabilities	417	397
Deferred tax liabilities for land revaluation	7,595	7,593
Provision for retirement benefits	5,084	5,225
Provision for directors' retirement benefits	155	134
Asset retirement obligations	-	294
Negative goodwill	11	2
Other	1,509	1,465
Total Noncurrent Liabilities	33,669	33,261
Total Liabilities	115,439	114,551
Net Assets		
Shareholders’ equity		
Capital stock	23,344	23,344
Capital surplus	13,454	13,454
Retained earnings	6,076	5,160
Treasury stock	(13)	(19)
Total Shareholders’ Equity	42,862	41,939
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	385	366
Revaluation reserve for land	10,869	10,867
Foreign currency translation adjustment	(7)	(65)
Total accumulated other comprehensive income	11,247	11,169
Minority interests	1,494	1,508
Total Net Assets	55,604	54,617
Total Liabilities and Net Assets	171,044	169,168

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

[Consolidated Statements of Income]

(millions of yen)

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	**FY2011** (Apr. 1, 2010- Mar. 31, 2011)
Net sales	149,314	147,826
Cost of sales	101,925	101,639
Gross profit	47,389	46,187
Selling, general and administrative expenses	42,873	43,383
Operating income	4,515	2,803
Non-operating income		
Interest income	224	206
Dividends income	102	102
Amortization of negative goodwill	0	9
Subsidies received	114	107
Rent income	150	147
Sales of scrap	74	145
Other	376	413
Total non-operating income	1,044	1,133
Non-operating expenses		
Interest expenses	1,035	891
Sales discounts	111	115
Foreign exchange losses	82	329
Loss on abandonment of inventories	385	296
Other	286	296
Total non-operating expenses	1,902	1,930
Ordinary income	3,657	2,006
Extraordinary income		
Gain on sales of noncurrent assets	87	67
Gain on sale of investment securities	2	1
Total extraordinary income	89	68
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	185	201
Impairment loss	424	62
Loss on valuation of investment securities	18	602
Loss on valuation of golf club membership	1	3
Directors' retirement benefits	4	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	218

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Loss on disaster	-	760
Environmental expenses	119	-
Cost of measures for product recall	240	23
Other	6	0
Total extraordinary losses	1,000	1,872
Income before income taxes	2,747	202
Income taxes-current	1,002	881
Income taxes-deferred	(604)	233
Total income taxes	397	1,115
Loss before minority interests	-	(912)
Minority interests in income	2	6
Net income (loss)	2,347	(918)

[Consolidated Statements of Comprehensive Income]

(millions of yen)

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	**FY2011** (Apr. 1, 2010- Mar. 31, 2011)
Loss before minority interests	-	(912)
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(9)
Foreign currency translation adjustment	-	(57)
Total other comprehensive income	-	(66)
Comprehensive income	-	(979)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	-	(994)
Comprehensive income attributable to minority interests	-	15

(3) Consolidated Statements of Changes in Net Assets

(millions of yen)

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Shareholders' Equity		
Capital Stock		
Balance at the end of previous period	22,784	23,344
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	559	-
Total changes of items during the period	559	-
Balance at the end of period	23,344	23,344
Capital Surplus		
Balance at the end of previous period	12,815	13,454
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	559	-
Disposal of treasury stock	78	-
Total changes of items during the period	638	-
Balance at the end of period	13,454	13,454
Retained Earnings		
Balance at the end of previous period	4,072	6,076
Changes of items during the period		
Net income (loss)	2,347	(918)
Reversal of revaluation reserve for land	(342)	2
Total changes of items during the period	2,004	(916)
Balance at the end of period	6,076	5,160
Treasury Stock		
Balance at the end of previous period	(185)	(13)
Changes in items during the period		
Purchase of treasury stock	(23)	(6)
Disposal of treasury stock	196	-
Total changes of items during the period	172	(6)
Balance at the end of period	(13)	(19)
Total Shareholders' Equity		
Balance at the end of previous period	39,486	42,862
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	1,119	-

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Net income (loss)	2,347	(918)
Purchase of treasury stock	(23)	(6)
Disposal of treasury stock	275	-
Reversal of revaluation reserve for land	(342)	2
Total changes of items during the period	3,375	(922)
Balance at the end of period	42,862	41,939
Accumulated Other Comprehensive Income		
Valuation Difference on Available-for-sale Securities		
Balance at the end of previous period	212	385
Changes of items during the period		
Net changes in items other than shareholders' equity	172	(18)
Total changes of items during the period	172	(18)
Balance at the end of period	385	366
Revaluation Reserve for Land		
Balance at the end of previous period	10,527	10,869
Changes of items during the period		
Net changes in items other than shareholders' equity	342	(2)
Total changes of items during the period	342	(2)
Balance at the end of period	10,869	10,867
Foreign Currency Translation Adjustment		
Balance at the end of previous period	(11)	(7)
Changes of items during the period		
Net changes in items other than shareholders' equity	3	(57)
Total changes of items during the period	3	(57)
Balance at the end of period	(7)	(65)
Total Accumulated Other Comprehensive Income		
Balance at the end of previous period	10,728	11,247
Changes of items during the period		
Net changes in items other than shareholders' equity	519	(78)
Total changes of items during the period	519	(78)
Balance at the end of period	11,247	11,169

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Minority Interests		
Balance at the end of previous period	1,479	1,494
Changes of items during the period		
Net changes in items other than shareholders' equity	15	13
Total changes of items during the period	15	13
Balance at the end of period	1,494	1,508
Total Net Assets		
Balance at the end of previous period	51,694	55,604
Changes in items during the period		
Issuance of new shares- exercise of subscription rights to shares	1,119	-
Net income (loss)	2,347	(918)
Purchase of treasury stock	(23)	(6)
Disposal of treasury stock	275	-
Reversal of revaluation reserve for land	(342)	2
Net changes in items other than shareholders' equity	534	(64)
Total changes of items during the period	3,910	(987)
Balance at the end of period	55,604	54,617

(4) Consolidated Statements of Cash Flows

(millions of yen)

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Net Cash Provided by (Used in) Operating Activities:		
Income before income taxes	2,747	202
Depreciation and amortization	5,140	5,666
Impairment loss	424	62
Amortization of negative goodwill	(0)	(9)
Increase (decrease) in provision for retirement benefits	255	140
Increase (decrease) in provision for loss on disaster	-	174
Loss (gain) on sales of investment securities	2	(0)
Loss on evaluation of golf club memberships	1	3
Interest and dividend income	(327)	(309)
Interest expenses	1,035	891
Foreign exchange losses (gains)	(72)	(169)
Loss (gain) on sales of property, plant and equipment and intangible assets	98	133
Decrease (increase) in notes and accounts receivable-trade	(586)	631
Decrease (increase) in inventories	506	503
Increase (decrease) in notes and accounts payable-trade	(2,028)	176
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	218
Other	1,517	611
Subtotal	8,713	8,928
Interest and dividends income received	331	309
Interest expenses paid	(1,031)	(891)
Income taxes paid	(1,111)	(1,404)
Income taxes refund	424	118
Net cash provided by (used in) operating activities	7,326	7,060
Net Cash Provided by (Used in) Investment Activities:		
Purchase of short-term investment securities	(19)	(19)
Proceeds from sales of short-term securities	240	19
Purchase of property, plant and equipment and intangible assets	(4,691)	(5,364)
Proceeds from sales of property, plant and equipment and intangible assets	298	279
Purchase of investment securities	(315)	(529)
Proceeds from sales of investment securities	30	11
Decrease (increase) in loans receivable	3	2

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Decrease (increase) in time deposits	7	(20)
Other	124	(54)
Net cash provided by (used in) investment activities	(4,320)	(5,674)
Net Cash Provided by (Used in) Financing Activities:		
Increase (decrease) in short-term loans payable, net	(5,137)	2,063
Proceeds from long-term loans payable	14,610	10,135
Repayment of long-term loans payable	(12,418)	(13,972)
Proceeds from issuance of bonds	-	100
Redemption of bonds	(90)	(1,060)
Proceeds from sell and leaseback transactions	1,598	1,491
Repayments of lease obligations	(606)	(1,255)
Purchase of treasury stock	(23)	(6)
Other	(12)	(11)
Net cash provided by (used in) financing activities	(2,080)	(2,515)
Effect of Exchange rate Change on Cash and Cash Equivalents	78	100
Net Increase (Decrease) in Cash and Cash Equivalents	1,004	(1,028)
Cash and Cash Equivalents at Beginning of Period	5,609	6,614
Cash and Cash Equivalents at End of Period	6,614	5,585

(5) Notes Regarding the Going Concern Assumption

Not applicable

(6) Important Basic Items for Preparing Consolidated Financial Statements

1) Scope of consolidation

Number of consolidated subsidiaries……….24 companies

(including Iseki-Matsuyama Mfg. Co., Ltd., Iseki-Kumamoto Mfg. Co., Ltd., Iseki-Hokkaido Co., Ltd. and Iseki-Tohoku Co., Ltd.)

2) Scope of the equity method companies

The equity method is not applied to any of the group companies.

3) Consolidated accounting period

Of the consolidated subsidiaries, 14 companies (including Iseki-Hokkaido Co., Ltd.) use an end-of-period balance sheet date of December 31. 10 companies (including Iseki-Matsuyama Mfg. Co., Ltd.) use a balance sheet date of March 31. With regard to the preparation of the consolidated financial statements, the financial statements as of the balance sheet dates of respective companies are used. And necessary adjustments at consolidation are made for any significant transactions that occurred between the consolidated balance sheet date and these dates.

4) Accounting policies

(1) Valuation basis and methods of important assets

(a) Securities

Held-to-maturity debt securities .... recorded at amortized cost

Available-for-sale securities

- Securities with fair market value………. recorded at market value, based on the fair market price at the closing date of the consolidated reporting period. (Any estimate variance is credited or debited to Shareholders' Equity)
- Securities without fair market value........ recorded at cost, based on the moving-average method

(b) Inventories………………………………….. .mainly recorded at cost using the gross average method (Balance sheet amounts for items with reduced profitability have been adjusted downward accordingly)

(c) Derivatives.. recorded using the market value method

(2) Depreciation methods for material depreciable assets

(a) Property, plant and equipment (excluding lease assets)

The straight-line method is used to depreciate tools. For others, the declining-balance method is used. However, for new buildings (not including buildings and accompanying facilities) acquired on or after April 1, 1998, the straight-line method is used.

(b) Intangible assets (excluding lease assets)

Straight-line method is used. However, software for internal use is depreciated using the straight-line method over an expected useful life within the company of five years, while software for marketing is depreciated using the straight-line method over an expected marketable period of three years.

(c) Lease assets

Lease assets derived from finance leases other than those leases which transfer the ownership of the assets to the lessee are amortized using straight-line method with no residual value over the lease period, which is deemed the useful life.

Among finance leases that do not involve transfer of ownership to lessee, leases that began before April 1, 2008 are accounted for as normal operating leases.

(3) Allowances and reserves

(a) Allowance for doubtful accounts

A likely unrecoverable amount is calculated by applying the historical bad debt ratio to common receivables. For specific receivables, such as doubtful debt receivables, allowances are made by individually evaluating the likelihood of them being collected.

(b) Provision for bonuses

To provide for future bonus payments to employees, a provision for bonuses is booked based on estimated future payments.

(c) Provision for loss due to disaster

The Company alloted the reserve for loss due to disaster for the restoration of assets damaged by the Great East Japan Earthquake, based on estimates as at the end of the consolidated accounting period.

(d) Provision for retirement benefits

Provision for retirement benefits is recorded as at the end of the consolidated accounting period, and is principally based on the amounts for the obligation for employees' retirement benefits and pension plan assets. Disparities arising out of changes to accounting standards are expensed pro rata over 15 years. Past service liabilities are amortized using the straight-line method over the average of the estimated remaining years of service. Actuarial differences are amortized using the straight-line method over the average of the estimated remaining years of service, with the first expense being recognized in the following consolidated fiscal period.

(e) Provision for directors’ retirement benefits

Some of the consolidated subsidiaries record the directors’ retirement benefits to provide for directors' retirement benefits in an amount as required by companies’ internal regulations.

(4) Accounting standards for revenues and expenses

(a) Accounting standards for the value and cost of completed construction contracts

The percentage-of-completion method is applied for construction in progress up to the end of the consolidated accounting period, for which the outcome can be estimated reliably (the proportional cost method is applied for estimating the percentage of progress of the construction). The completed-contract method is applied for other constructions.

(5) Foreign currency translation

Monetary assets and liabilities in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date. Gains or losses resulting from the translation are credited or charged to income. Balance sheet accounts (except for shareholders' equity) and revenue and expense accounts of the overseas subsidiary are translated into yen at the rates of exchange in effect at the balance sheet dates. Differences arising from the translation are presented as "Foreign currency translation adjustment" in shareholders' equity and financial statements.

(6) Hedge accounting

(a) Hedge accounting

Recorded in accordance with deferred hedge accounting. Such receivables and payables, which are denominated in foreign currencies and for which forward exchange contracts have been entered, are recorded using the forward exchange rates.

(b) Hedging instruments and hedged items

(i) Hedging instruments

Forward exchange contracts and interest rate swap agreements

(ii) Hedged items

Receivables and payables denominated in foreign currencies and borrowings

(c) Hedging policies

Forward exchange contracts and interest rate swap agreements are entered into in order to hedge the risks associated with fluctuations in foreign currencies exchange rates and interest rates.

(7) Amortization of goodwill and negative goodwill

The consolidation adjustment account is amortized by the straight-line method over a period of no longer than 20 years.

(8) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits with banks with draw able on demand, and short-term investments which are readily convertible to cash subject to an insignificant risk of any change in their value and which were purchased with an original maturity of three months or less.

(9) Other notes pertaining to the preparation of the Consolidated Financial Statements

Accounting treatment of consumption tax

Consumption tax and local consumption taxes are accounted for using a tax-exclusive method.

(7) Changes in Important Basic Items for Preparing Consolidated Financial Statements

1) Accounting Standard for Asset Retirement Obligations

Effective the consolidated accounting period, the Company has applied "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008). As a result, operating and ordinary income decreased by ¥9 million and income before income taxes decreased by ¥228 million.

2) Changes to Presentation

Effective the consolidated accounting period, the Company presents income before minority interests in the Consolidated Statements of Income because it has applied "Cabinet Office Ordinance of Partial Amendment to Regulation for Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance No. 5, March 24, 2009) based on "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008).

(8) Notes to the Consolidated Financial Statements

(Consolidated Balance Sheets Information)

		FY2010	FY2011
1.	Accumulated depreciation of property, plant and equipment	91,216 million yen	94,005 million yen
2.	Guaranteed liabilities	8,526 million yen	8,486 million yen
3.	Notes receivable less discount-trade	46 million yen	12 million yen
4.	Endorsed notes receivable-trade	386 million yen	371 million yen

5. Revaluation of land for business use

Iseki has revalued its land for business use pursuant to the law (Law No.19, announced on March 31, 2001) which revises parts of the law relating to the revaluation of land. The equivalent tax related to the change in the said revaluation has been recorded in the liabilities (noncurrent liabilities) as a "Deferred tax liabilities for land revaluation" and the deducted amount has been recorded under assets as "Revaluation reserve for land."

- Revaluation method ・・・・・ The revaluation of land has been determined using a reasonable adjustment to the assessed value of the noncurrent assets for property tax as stipulated in Paragraph 3, Article 2 of the enforcement order (Government ordinance No. 119, announced on March 31, 1998).
- Revaluation date ・・・・・ March 31, 2001
- Variance between the market value of the revalued land at the end of the period and the revalued book value ・・・・ (10,632) million yen

(Consolidated Statements of Income Information)

	FY2010	FY2011
1. Research and development expenses	4,025 million yen	3,883 million yen

2. Impairment loss

FY2010 (April 1, 2009 - March 31, 2010)

The Company recorded impairment losses on the following assets.

(millions of yen)

Usage	Type	Location	Impairment loss
Idle property	Land	Yokkaichi, Mie Pref.	15
	Land	Yonago, Tottori Pref.	1
	Land	Mitoyo, Kagawa Pref.	16
	Land	Kuma, Kumamoto Pref.	11
	Land	Kitamorokata, Miyazaki Pref.	1
	Land	Kirishima, Kagoshima Pref.	2
Property loaned out	Land	Kunisaki, Oita Pref.	12
	Land	Kumamoto, Kumamoto Pref.	361
Total			424

(Reason to recognized impairment loss)

The Company recorded an impairment loss on the above assets. This is because idle properties are not being used and have no prospect for use in the future. In addition, the market price of land is declining for idle properties and properties loaned out.

(Measurement of recoverable amount)

Recoverable amount is measured using net selling price. In case of land, the price is determined by applying reasonable adjustments to the assessed value of noncurrent assets for property tax.

FY2011 (April 1, 2010 - March 31, 2011)

The Company recorded impairment losses on the following assets.

(millions of yen)

Usage	Type	Location	Impairment
Idle property	Buildings, Land	Saihaku, Tottori Pref.	4
Property loaned out	Land	Goshogawara, Aomori Pref.	57
Total			62

(Reason to recognized impairment loss)

The Company recorded an impairment loss on the above assets. This is because idle properties are not being used and have no prospect for use in the future. In addition, the market price of land is declining for idle properties and properties loaned out.

(Measurement of recoverable amount)

Recoverable amount is measured using net selling price. In case of land, the price is determined by applying reasonable adjustments to the assessed value of noncurrent assets for property tax.

(Consolidated Statements of Comprehensive Income Information)

FY2011 (April 1, 2010 – March 31, 2011)

1. Comprehensive income for the previous fiscal year ended March 31, 2010

Comprehensive income attributable to parent company	2,523 million yen
Comprehensive income attributable to minority interests	18 million yen
Total	2,541 million yen

2. Other comprehensive income for the previous fiscal year ended March 31, 2010

Valuation difference on available-for-sale securities	188 million yen
Foreign currency translation adjustment	3 million yen
Total	192 million yen

(Additional Information)

Effective the consolidated accounting period, the Company has applied "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, June 30, 2010). Accordingly, the Company presents "valuation and transaction adjustments" and "total valuation and transaction adjustments" for the fiscal year ended March 31, 2010, as "accumulated other comprehensive income" and "total accumulated other comprehensive income" respectively.

(Consolidated Statements of Changes in Net Assets Information)

FY2010 (April 1, 2009 - March 31, 2010)

1. Matters concerning the classes and number of outstanding stock and classes and number of treasury stock

	Number of shares (as of Mar. 31, 2009)	Increase in number of shares during period	Decrease in number of shares during period	Number of shares (as of Mar. 31, 2010)
(Number of outstanding shares) Common stock	226,536,329	3,313,607	—	229,849,936
(Treasury stock) Common stock	790,839	66,993	813,609	44,223

There was an increase of 3,313,607 shares in outstanding shares of common stock and a decrease of 813,609 shares in treasury shares of common stock. These occurred because we exercised the subscription rights for those convertible bond-type bonds with subscription rights to shares. Meanwhile, treasury shares of common stock increased by 66,993 shares because shares below the stock trading unit were purchased.

FY2011 (April 1, 2010 - March 31, 2011)

1. Matters concerning the classes and number of outstanding stock and classes and number of treasury stock

	Number of shares (as of Mar. 31, 2010)	Increase in number of shares during period	Decrease in number of shares during period	Number of shares (as of Mar. 31, 2011)
(Number of outstanding shares) Common stock	229,849,936	—	—	229,849,936
(Treasury stock) Common stock	44,223	28,859	—	73,082

Increase in the number of shares, 28,859 shares during the period was by purchasing of shares below stock trading unit.

(Consolidated Statements of Cash Flows Information)

Reconciliation between cash and cash equivalents at the end of period and the amount reported in the Consolidated Balance Sheets.

	FY2010	FY2011
Cash and deposits	6,705 million yen	5,696 million yen
Time deposits with terms of 3 months or more	(90) million yen	(110) million yen
Total cash and cash equivalents	6,614 million yen	5,585 million yen

(Segment Information)

1. Business Segment Information

For the previous period (April 1, 2009 - March 31, 2010), the total sales, operating income, and total assets of the “Agricultural machinery related operations” segment accounted for more than 90% of all segments. Accordingly, the breakdown of segment information by business type is not presented.

2. Geographical Segment Information

For the previous period (April 1, 2009 - March 31, 2010), the total sales and total assets of the “Japan” segment accounted for more than 90% of all segments. Accordingly, the breakdown of segment information by region is not presented.

3. Overseas Sales Information

FY2010 (April 1, 2009 - March 31, 2010)

(millions of yen)

	The United States	Europe	Others	Total
I Overseas sales	4,201	7,294	6,566	18,061
II Consolidated net sales	—	—	—	149,314
III Overseas sales as a percentage of consolidated net sales (%)	2.8	4.9	4.4	12.1

Notes: (a) Countries and regions are defined based on geographical proximity.

(b) Classification by Area

Europe: France, Germany, the United Kingdom, Belgium, Switzerland, the Netherlands, etc.

Other geographical areas: South Korea, Taiwan, China, Thailand, Australia, New Zealand, etc.

4. Segment Information

(Additional Information)

Effective the consolidated accounting period, the Company has applied “Accounting Standard for Disclosure of Segments of an Enterprise and Related Information” (ASBJ Statement No. 17, March 27, 2009) and “Guidance on the Accounting Standard for Disclosures of Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20, March 21, 2008).

(1) Segment disclosure

The Company’s reported segments are business units for which discrete financial data are available and which are periodically reviewed by the Company’s Board of Directors to determine resource allocation and to evaluate financial performance.

Our business by products / services consists of two reportable segments, namely “agriculture-related business” which is the core of our business, and “other business” which attends rest of the business.

The “agriculture-related business” consists of the manufacture and sale of agricultural machinery, construction and sale of agriculture-related facilities, and business related to agricultural activities and products, including revenue from the use of rice-polishing machines. The “other business” consists of information processing services including the development, sale, and operation of computer software.

(2) Method of accounting for net sales, income/loss, assets, liabilities and other items by segment

Most items reported under a segment apply the same accounting method to that stated in “Important Basic Items for Preparing Consolidated Financial Statements.”

The income of a segment is equal to net income. Internal sales and transfer amounts between segments are recorded on the basis of market price.

(3) Net sales, income/loss, assets, liabilities and other items by segment

FY2011 (April 1, 2010 - March 31, 2011)

(millions of yen)

	Agriculture-related	Other	Total	Adjustments	Amount reported in the consolidated financial statements
Net sales					
Sales to outside customers	147,682	144	147,826	-	147,826
Internal sales or transfers between segments	0	135	135	(135)	-
Total	147,682	279	147,962	(135)	147,826
Segment income (loss)	(919)	1	(918)	-	(918)
Segment assets	169,078	202	169,281	(112)	169,168
Segment liabilities	43,480	-	43,480	-	43,480
Other items					
Depreciation	5,665	0	5,666	-	5,666
Amortization of negative goodwill	10	(1)	9	-	9
Interest income	206	0	206	(0)	206
Interest expenses	891	-	891	(0)	891
Extraordinary income	68	-	68	-	68
Extraordinary loss	1,872	-	1,872	-	1,872
(Loss on disaster)	(760)	-	(760)	-	(760)
Taxes	1,110	4	1,115	-	1,115
Increase of property, plant and equipment and intangible assets	7,922	0	7,922	-	7,922

Notes:

1. Adjustment represents reduction in internal unrealized profit.
2. Segment income (loss) have been adjusted from net income(loss) reported in the Consolidated Statements of Income.
3. Segment assets have been adjusted from total assets reported in the Consolidated Balance Sheets.
4. Segment liabilities represent short-term loans payable, long-term loans payable (including the current portion of long-term loans payable), and bonds payable (including current portion of bonds payable).

(Per Share Information)

(yen)

	FY2010	FY2011
Net assets per share	235.46	231.13
Net income (loss) per share	10.29	(4.00)
Net income per share after adjustment for dilutive securities	10.21	The Company has not presented this information because there were no dilutive securities.

Note: Basis of calculation of net income (loss) per share and net income per share after adjustment for dilutive securities

	FY2010	FY2011
Net income (loss) per share		
Net income (loss) reported in the Consolidated Statements of Income (millions of yen)	2,347	(918)
Net income (loss) attributed to common shares (millions of yen)	2,347	(918)
Net income (loss) not attributable to common shares(millions of yen)	-	-
During period average number of common shares (shares)	227,997,350	229,791,896
Net income per share after adjustment for dilutive securities		
Adjustment of net income (millions of yen)	-	-
Increased number of common shares (shares) (Subscription rights, shares)	1,842,285 (1,842,285)	- (-)
Outline of deferred equity which was not included in the calculation of net income per share after adjustment for dilutive securities as it does not have dilutive effect	-	-

(Significant Subsequent Events)

FY2010 (April 1, 2009 –March 31, 2010)

Not applicable

FY2011 (April 1, 2010 – March 31, 2011)

Not applicable

5. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(millions of yen)

	FY2010 (as of Mar. 31, 2010)	FY2011 (as of Mar. 31, 2011)
Assets		
Current Assets:		
Cash and deposits	2,605	2,601
Notes receivable-trade	6,058	7,451
Accounts receivable-trade	28,218	27,488
Merchandise and finished goods	14,739	12,860
Work in process	3	0
Raw materials and supplies	234	230
Advance payments-trade	402	329
Prepaid expenses	251	251
Deferred tax assets	748	445
Short-term loans receivable	8,701	7,788
Accounts receivable-other	943	1,164
Other	81	79
Allowance for doubtful accounts	(4)	(4)
Total Current Assets	62,984	60,687
Noncurrent Assets:		
Property, plant and equipment		
Buildings, net	3,770	3,666
Structures, net	212	184
Machinery and equipment, net	2,114	1,667
Vehicles, net	6	3
Tools, furniture and fixtures, net	1,315	1,047
Land	25,161	25,183
Lease assets, net	125	190
Construction in progress	11	15
Total property, plant and equipment	32,718	31,958
Intangible assets		
Leasehold right	85	85
Software	214	188
Lease assets	84	130
Other	32	57
Total intangible assets	416	461

	FY2010 (as of Mar. 31, 2010)	FY2011 (as of Mar. 31, 2011)
Investments and other assets		
Investment securities	4,992	4,871
Stocks of subsidiaries and affiliates	17,357	17,357
Investments in capital	93	90
Investments in capital of subsidiaries and affiliates	278	278
Long-term loans receivable from employees	84	67
Long-term loans receivable from subsidiaries and affiliates	4,384	4,876
Claims provable in bankruptcy, claims provable in rehabilitation and other	0	0
Long-term prepaid expenses	220	322
Other	1,027	1,006
Allowance for doubtful accounts	(176)	(170)
Allowance for investment loss	(1,145)	(1,145)
Total investments and other assets	27,118	27,554
Total Noncurrent Assets	60,253	59,974
Total Assets	123,238	120,661
Liabilities		
Current Liabilities:		
Notes payable-trade	15,313	15,919
Accounts payable-trade	14,379	15,756
Short-term loans payable	5,500	6,500
Current portion of bonds	1,000	-
Current portion of long-term loans payable	10,378	8,348
Lease obligations	55	91
Account payable-other	715	655
Accrued expenses	2,276	1,598
Income taxes payable	85	64
Advances received	323	176
Deposits received	266	276
Provision for bonuses	-	220
Provision for loss on disaster	-	123
Notes payable-facilities	158	144
Other	4	4
Total Current Liabilities	50,456	49,880

(millions of yen)

	FY2010 (as of Mar. 31, 2010)	FY2011 (as of Mar. 31, 2011)
Noncurrent Liabilities:		
Long-term loans payable	12,025	10,177
Lease obligations	165	246
Deferred tax liabilities	334	310
Deferred tax liabilities for land revaluation	7,595	7,593
Provision for retirement benefits	1,087	1,266
Long-term deposits from employees	782	758
Long-term deposits received	25	24
Asset retirement obligations	-	128
Other	269	245
Total Noncurrent Liabilities	22,285	20,750
Total Liabilities	72,742	70,631
Net Assets		
Shareholders’ equity		
Capital stock	23,344	23,344
Capital surplus		
Legal capital surplus	11,554	11,554
Other capital surplus	2,450	2,450
Total capital surpluses	14,004	14,004
Retained earnings		
Other retained earnings		
Retained earnings brought forward	1,916	1,487
Total retained earnings	1,916	1,487
Treasury stock	(13)	(19)
Total Shareholders’ Equity	39,252	38,817
Valuations and Translation Adjustments		
Valuation difference on available-for-sale securities	373	345
Revaluation reserve for land	10,869	10,867
Total valuation and translation adjustments	11,243	11,212
Total Net Assets	50,495	50,030
Total Liabilities and Net Assets	123,238	120,661

(2) Non-consolidated Statements of Income

(millions of yen)

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Net sales	90,871	90,560
Cost of sales	78,020	78,358
Gross profit	12,850	12,202
Selling, general and administrative expenses	11,653	12,041
Operating income	1,197	161
Non-operating income		
Interest income	427	390
Dividends income	565	1,150
Rent income	1,320	1,388
Other	267	258
Total non-operating income	2,580	3,189
Non-operating expenses		
Interest expenses	534	424
Interest on bonds	8	0
Sales discounts	68	64
Rent expenses	1,130	1,135
Loss on abandonment of inventories	267	177
Other	246	385
Total non-operating expenses	2,256	2,188
Ordinary income	1,522	1,161
Extraordinary income		
Gain on sales of noncurrent assets	32	16
Reversal of allowance for doubtful accounts	7	5
Reversal of allowance for investment loss	118	-
Total extraordinary income	157	21
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	85	81
Impairment loss	361	-
Loss on valuation of investment securities	0	602
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	121
Loss on disaster	-	469
Environmental expenses	112	-
Cost of measures for product recall	240	23
Other	17	-

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Total extraordinary losses	818	1,298
Income (loss) before income taxes	861	(114)
Income taxes	23	23
Income taxes-deferred	(769)	292
Total income taxes	(745)	316
Net income (loss)	1,607	(430)

(3) Non-consolidated Statements of Changes in Net Assets

(millions of yen)

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Shareholders' Equity		
Capital Stock		
Balance at the end of previous period	22,784	23,344
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	559	-
Total changes of items during the period	559	-
Balance at the end of period	23,344	23,344
Capital Surplus		
Legal capital surplus		
Balance at the end of previous period	10,994	11,554
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	559	-
Total changes of items during the period	559	-
Balance at the end of period	11,554	11,554
Other capital surplus		
Balance at the end of previous period	2,371	2,450
Changes of items during the period		
Disposal of treasury stock	78	-
Total changes of items during the period	78	-
Balance at the end of period	2,450	2,450
Total capital surplus		
Balance at the end of previous period	13,366	14,004
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	559	-
Disposal of treasury stock	78	-
Total changes of items during the period	638	-
Balance at the end of period	14,004	14,004
Retained Earnings		
Other retained earnings		
Retained earnings brought forward		
Balance at the end of previous period	651	1,916
Changes of items during the period		

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Net income (loss)	1,607	(430)
Reversal of revaluation reserve for land	(342)	2
Total changes of items during the period	1,264	(428)
Balance at the end of period	1,916	1,487
Total retained earnings		
Balance at the end of previous period	651	1,916
Changes of items during the period		
Net income (loss)	1,607	(430)
Reversal of revaluation reserve for land	(342)	2
Total changes of items during the period	1,264	(428)
Balance at the end of period	1,916	1,487
Treasury Stock		
Balance at the end of previous period	(185)	(13)
Changes of items during the period		
Purchase of treasury stock	(23)	(6)
Disposal of treasury stock	196	-
Total changes of items during the period	172	(6)
Balance at the end of period	(13)	(19)
Total Shareholders' Equity		
Balance at the end of previous period	36,616	39,252
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	1,119	-
Net income (loss)	1,607	(430)
Purchase of treasury stock	(23)	(6)
Disposal of treasury stock	275	-
Reversal of revaluation reserve for land	(342)	2
Total changes of items during the period	2,636	(435)
Balance at the end of period	39,252	38,817
Valuation and Translation Adjustments		
Valuation Difference on Available-for-sale Securities		
Balance at the end of previous period	215	373
Changes of items during the period		
Net changes in items other than shareholders' equity	157	(27)
Total changes of items during the period	157	(27)

	FY2010 (Apr. 1, 2009- Mar. 31, 2010)	FY2011 (Apr. 1, 2010- Mar. 31, 2011)
Balance at the end of period	373	345
Revaluation Reserve for Land		
Balance at the end of previous period	10,527	10,869
Changes of items during the period		
Net changes in items other than shareholders' equity	342	(2)
Total changes of items during the period	342	(2)
Balance at the end of period	10,869	10,867
Total Valuation and Translation Adjustments		
Balance at the end of previous period	10,742	11,243
Changes of items during the period		
Net changes in items other than shareholders' equity	500	(30)
Total changes of items during the period	500	(30)
Balance at the end of period	11,243	11,212
Total Net Assets		
Balance at the end of previous period	47,359	50,495
Changes of items during the period		
Issuance of new shares- exercise of subscription rights to shares	1,119	-
Net income (loss)	1,607	(430)
Purchase of treasury stock	(23)	(6)
Disposal of treasury stock	275	-
Reversal of revaluation reserve for land	(342)	2
Net changes in items other than shareholders' equity	500	(30)
Total changes of items during the period	3,136	(465)
Balance at the end of period	50,495	50,030

(4) Notes Regarding the Going Concern Assumption

Not applicable

6. Others

(1) Production, Orders & Sales

The Company has applied a new classification following the application of "Accounting Standard for Disclosure of Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on the Accounting Standard for Disclosures of Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008) from the consolidated accounting period. Figures for the previous consolidated accounting period have been reclassified in accordance with the new segments for comparison with figures from the fiscal year ended March 31, 2011.

1) Production results per product–type

(millions of yen)

Product-type		FY2010 (Apr. 1, 2009-Mar. 31, 2010)	FY2011 (Apr. 1, 2010-Mar. 31, 2011)	Change from previous period
	Cultivating & mowing machinery	41,284	41,475	190
	Planting machinery	16,734	14,535	(2,198)
	Harvesting and processing machinery	27,907	29,033	1,126
	Parts and farming implements	2,248	2,329	80
	Other agriculture related business	12,306	9,811	(2,495)
Agriculture-related business segment total		100,481	97,185	(3,296)
Other business segment total		-	-	-
Total		100,481	97,185	(3,296)

Note: Figures are shown in terms of sales values.

2) Orders

We operate a system whereby production is based mostly on projected demand. We hardly ever produce on order.

3) Sales results per product–type

(a) Total

(millions of yen)

Product-type		FY2010 (Apr. 1, 2009-Mar. 31, 2010)		FY2011 (Apr. 1, 2010-Mar. 31, 2011)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	39,201	% 26.3	39,775	% 26.9	573	% 1.5
	Planting machinery	13,907	9.3	14,089	9.6	182	1.3
	Harvesting and processing machinery	27,934	18.7	27,097	18.3	(836)	(3.0)
	Parts and farming implements	31,493	21.1	32,089	21.7	595	1.9
	Other agriculture related business	36,579	24.5	34,631	23.4	(1,948)	(5.3)
Agriculture-related business segment total		149,116	99.9	147,682	99.9	(1,433)	(1.0)
Other business segment total		198	0.1	144	0.1	(54)	(27.3)
Total		149,314	100	147,826	100	(1,487)	(1.0)

(b) Domestic

(millions of yen)

Product-type		FY2010 (Apr. 1, 2009-Mar. 31, 2010)		FY2011 (Apr. 1, 2010-Mar. 31, 2011)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	27,632	% 21.1	26,681	% 20.7	(950)	% (3.4)
	Planting machinery	11,442	8.7	11,567	9.0	124	1.1
	Harvesting and processing machinery	25,734	19.6	25,505	19.8	(228)	(0.9)
	Parts and farming implements	30,434	23.2	30,993	24.1	558	1.8
	Other agriculture related business	35,811	27.3	33,811	26.3	(1,999)	(5.6)
Agriculture-related business segment total		131,055	99.9	128,559	99.9	(2,495)	(1.9)
Other business segment total		198	0.1	144	0.1	(54)	(27.3)
Total		131,253	100	128,703	100	(2,549)	(1.9)

(c) Overseas

(millions of yen)

Product-type		FY2010 (Apr. 1, 2009-Mar. 31, 2010)		FY2011 (Apr. 1, 2010-Mar. 31, 2011)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	11,569	% 64.1	13,093	% 68.5	1,524	% 13.2
	Planting machinery	2,464	13.6	2,521	13.2	57	2.3
	Harvesting and processing machinery	2,200	12.2	1,591	8.3	(608)	(27.7)
	Parts and farming implements	1,059	5.9	1,096	5.7	37	3.5
	Other agriculture related business	768	4.2	819	4.3	51	6.7
Agriculture-related business segment total		18,061	100.0	19,123	100.0	1,061	5.9
Other business segment total		-	-	-	-	-	-
Total		18,061	100	19,123	100	1,061	5.9

(2) Change of Directors (As of June 28, 2011)

1) Candidate for appointment as director

(New position)	(Name)	(Current position)
Managing Director and Senior Corporate Officer General Division Manager, Business Division	Akio Kikuchi	Senior Corporate Officer General Division Manager, Business Division

2) Candidate for appointment as auditor

(New position)	(Name)	(Current position)
Corporate Auditor	Masaharu Kamekawa	General Manager of Internal Control Department

3) Retiring director

(Current position)	(Name)	(Position after retirement)
Representative Director & Executive Managing Director and Senior Corporate Executive Officer Head of Business Division	Yasuo Seike	Senior Corporate Executive Officer Head of Business Division (matters concerning reconstruction after the earthquake) (other special assignments, etc.)

4) Retiring auditor

(Current position)	(Name)	(Position after retirement)
Corporate Auditor	Keiji Ito	-