



August 30, 2012

Name of Company: ISEKI & CO., LTD.
Company representative: President Noriyuki Kimura
Company Code: 6310
Listing: TSE 1st Section
Enquiries: General Manager Shunichi Suzuki
Corporate Planning Department
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Notice of establishment of a joint company in Indonesia

We would like to announce the establishment of PT ISEKI INDONESIA, a joint company with PT RUTAN in Indonesia, as decided by the board of directors in a meeting that was held today.

1. Purpose of establishing the joint company

In recent years, Indonesian economic is growing remarkably and maintenance of infrastructure is expanding. And the labor force is still abundant and there are suitable suppliers in the neighbor. In addition, ISEKI has established long term relationship with PT RUTAN based in East Java, Indonesia. They have a manufacturing company of agricultural machinery as their affiliations. ISEKI is having a business relationship with their manufacturing companies for machining and purchasing the parts as well. ISEKI decided to establish a new company in Indonesia, in where the agricultural machinery market is expected to expand in the future (currently 3rd biggest rice producer in the world), and produce tractors for export and domestic.

2. Outline of the joint company

- (1) Corporate name: PT ISEKI INDONESIA
- (2) Representative: Yoshihiko Kido (General Manager of preparatory section)
- (3) Location: Jalan Kraton Industri Raya No.11, Curahdukuh Pasuruan
- (4) Establishment: October, 2012 to be scheduled
- (5) Main business: Manufacture and sales of agricultural machinery
- (6) The last day of business year: December 31
- (7) Capital stock: 18.75 million US\$ (1.5 billion yen)
- (8) Investment ratio: ISEKI & CO., LTD. 95%
PT RUTAN 5%

3. Outline of PT RUTAN

- (1) Corporate name: PT RUTAN
- (2) Representative: Chairman E.B.SANTOSA
President BUBI ISKANDAR
- (3) Location: Jl.Ikan Dorang 7 Surabaya 60178 East Java
- (4) Establishment: 1942
- (5) Main business: Manufacture and sales of agricultural machinery

4. Impact on the future business performance

The impact of the establishment of the joint company on the consolidated business performance in the current fiscal year will be negligible.