



May 14, 2014

Name of Listed Company ISEKI & CO., LTD.



Stock Exchange Listing Tokyo

Company Code: 6310 (URL <http://www.iseki.co.jp>)

Representative: Title President

Name Noriyuki Kimura

Enquiries: Title General Manager of
Corporate Planning Department

Name Kazuma Takahashi

Telephone: +81 3 5604 7671

Date of the Regular Meeting of Shareholders:

June 25, 2014

Scheduled Date to Commence Dividend Payment

June 26, 2014

Date of Submission of the Securities Report:

June 26, 2014

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, 2014 (Japanese GAAP)

I. Financial Results for the Fiscal Year Ended March 31, 2014 (April 1, 2013 – March 31, 2014)

A. Results of operations

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

	Year Ended March 31, 2014	%	Year Ended March 31, 2013	%
Net Sales	169,129	8.6	155,697	7.2
Operating Income	7,371	43.3	5,144	21.6
Ordinary Income	8,285	53.0	5,414	38.9
Net Income	6,447	62.0	3,979	45.9
Net Income per Share (yen)				
Non-diluted	28.06		17.32	
Fully Diluted	—		—	
Return on Equity (%)	10.0		6.7	
Return on Total Assets (%)	4.4		3.1	
Operating Income to Net Sales (%)	4.4		3.3	

Note: Comprehensive income

Year ended March 31, 2014: ¥7,772 mil. (55.1%) Year ended March 31, 2013: ¥5,012 mil. (40.1%)

Reference: Investment gain (loss) by equity method

Year ended March 31, 2014: ¥(52) mil. Year ended March 31, 2013: ¥(96) mil.

B. Financial Position

(Rounded down to millions of yen)

	As of March 31, 2014	As of March 31, 2013
Total Assets	197,628	179,028
Net Assets	68,734	62,927
Shareholders' Equity to Total Assets Ratio (%)	34.0	34.3
Net Assets per Share (yen)	292.11	266.94

Reference: Shareholders' equity

Year ended March 31, 2014: ¥67,106 mil. Year ended March 31, 2013: ¥61,329 mil.

C. Cash Flows

(Rounded down to millions of yen)

	Year Ended March 31, 2014	Year Ended March 31, 2013
Net Cash Provided by (used in) Operating Activities	7,007	8,531
Net Cash Provided by (used in) Investment Activities	(10,038)	(6,342)
Net Cash Provided by (used in) Financing Activities	1,521	(647)
Cash and Cash Equivalents at End of Period	8,169	9,040

II. Dividends

	Year Ended March 31, 2013	Year Ended March 31, 2014	Year Ending March 31, 2015 Forecast
Dividend per share (yen)			
End of fiscal year	3.00	4.00	3.00 to 4.00
Annual	3.00	4.00	3.00 to 4.00
Annual cash dividend (million yen)	689	918	
Payout ratio (% , consolidated)	17.3	14.3	—
Ratio of dividend to net assets (% , consolidated)	1.2	1.4	

III. Forecast for the Fiscal Year Ending March 31, 2015 (April 1, 2014—March 31, 2015)

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

	Interim	%	Annual	%
Net Sales	83,000	0.6	165,000	(2.4)
Operating Income	2,800	(32.8)	5,500	(25.4)
Ordinary Income	2,600	(46.9)	5,100	(38.4)
Net Income	1,300	(59.0)	2,600	(59.7)
Net Income per Share (yen)	5.66		11.32	

* Notes

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

B Change in accounting policy, change of estimation in accounting and modified restatement

- | | |
|--|------|
| 1) Change in accounting policy which accompanies revision of accounting standards: | Yes |
| 2) Change in accounting policy other than No.1): | None |
| 3) Change of estimation in accounting: | None |
| 4) Modified restatement: | None |

Note: For details, please refer to page 25 of the attached document, "Change in accounting policy."

C Outstanding shares (common shares)

- | | | |
|--|----------------------|--------------------|
| 1) Outstanding shares (including treasury shares) | As of March 31, 2014 | 229,849,936 shares |
| | As of March 31, 2013 | 229,849,936 shares |
| 2) Outstanding treasury shares | As of March 31, 2014 | 117,254 shares |
| | As of March 31, 2013 | 101,954 shares |
| 3) Average number of shares | As of March 31, 2014 | 229,740,557 shares |
| | As of March 31, 2013 | 229,755,478 share |

Note: Please refer to page 33 "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**Financial Results for the Fiscal Year Ended March 31, 2014 (April 1, 2013—March 31, 2014)****A. Results of operations**

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

	Year Ended March 31, 2014	%	Year Ended March 31, 2013	%
Net Sales	106,459	15.8	91,945	5.3
Operating Income	1,975	200.9	656	49.8
Ordinary Income	4,580	110.3	2,178	7.1
Net Income	3,834	95.1	1,965	6.3
Net Income per Share (yen)				
Non-diluted	16.69		8.56	
Fully Diluted	—		—	

B. Financial Position

(Rounded down to millions of yen)

	As of March 31, 2014	As of March 31, 2013
Total Assets	132,693	124,755
Net Assets	58,560	55,004
Shareholders' Equity to Total Assets Ratio (%)	44.1	44.1
Net Assets per Share (yen)	254.91	239.41

Reference: Shareholders' Equity

Year ended March 31, 2014: ¥58,560 mil.

Year ended March 31, 2013: ¥55,004 mil.

*Statement regarding state of implementation of review procedure: This summary of financial results is exempt from audit procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure, audit procedures for consolidated financial statements and non-consolidated financial statements pursuant to the Financial Instruments and Exchange Act had not been completed.

*Cautionary statement: The forecast for operating results has been determined based on information presently available, as well as on the 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 "Management Performance" on page 2 of the supplementary material for the assumptions underlying the forecasts and precautions when using the forecasts.

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1. Management Performance

(1) Analysis of Management Performance

During the fiscal year under review, Japan's economy as a whole was on a recovery track partly due to a last-minute surge in demand before the consumption tax rate hike in April 2014, as the recovery of stock prices and the weaker yen come to stay despite misgivings about a downside risk of the overseas economy. On the other hand, it is thought to take some time before the world economy fully recovers, as exemplified by the move of the U.S. to reduce quantitative easing measures, financial instability in the European region and uncertainty over the future of the economy in China and other emerging countries.

Under such circumstances, the ISEKI Group strove to increase sales volume in Japan, launching new models and enhancing customer responses, while it endeavored to expand sales overseas by introducing new models in China and rolling out a new OEM line-up in North America. As a result, the Group's business performance can be summarized as follows.

(Consolidated business performance of the year under review)

In the fiscal year ended March 31, 2014, net sales increased ¥13,431 million from a year earlier to ¥169,129 million (up 8.6% year on year). Domestic sales increased ¥9,916 million from a year earlier to ¥142,974 million (up 7.5% year on year), and overseas sales increased ¥3,515 million to ¥26,154 million (up 15.5% year on year).

Operating income increased ¥2,226 million from a year earlier to ¥7,371 million (up 43.3% year on year) mainly because the growth in gross income resulting from increased sales surpassed the rise in selling, general and administrative expenses. Ordinary income increased ¥2,871 million from a year earlier to ¥8,285 million (up 53.0% year on year). Net income increased ¥2,467 million from a year earlier to ¥6,447 million (up 62.0% year on year).

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

In the fiscal year under review, net sales totaled ¥106,459 million (up 15.8% year on year), operating income was ¥1,975 million (up 200.9% year on year), and ordinary income amounted to ¥4,580 million (up 110.3% year on year). The Company recorded a net income of ¥3,834 million (up 95.1% year on year).

Business performance by segment is as follows.

1) Agriculture-related business

Sales of agricultural machinery and farming implements in Japan increased thanks to active demand against a backdrop of last-minute demand in preparation for the hike in the consumption tax rate in April 2014, in addition to the improvement of income of farmers as the government's measures to stabilize management income have been established and to the increase in the amount of agriculture-related budget. Overseas, overall sales increased due to the contributions of new models released for North America.

Sales by product are as follows.

(Domestic)

Sales of cultivating & mowing machinery (tractors, high-clearance multipurpose vehicles, etc.) amounted to ¥33,322 million (up 14.8% year on year), sales of planting machinery (rice transplanters and vegetable transplanters) totaled ¥10,887 million (down 3.0% year on year), sales of harvesting and processing machinery (combine harvesters, etc.) were ¥28,259 million (up 5.3% year on year) and sales of spare parts and farming implements reached ¥36,048 million (up 12.4% year on year), while sales of other agriculture-related business (including construction of facilities, etc.) increased to ¥34,422 million (up 1.9% year on year).

(Overseas)

Sales of cultivating & mowing machinery (tractors, etc.) increased to ¥16,641 million (up 31.5% year on year), sales of planting machinery (rice transplanters, etc.) amounted to ¥6,732 million (up 7.3% year on year), sales of harvesting and processing machinery (combine harvesters, etc.) decreased to ¥1,022 million (down 35.4% year on year), and sales of spare parts and farming implements totaled ¥1,308 million (up 2.0% year on year), while sales of other agriculture-related business were ¥448 million (down 46.6% year on year).

As a result, sales in the agriculture-related business segment totaled ¥169,094 million (up 8.7% year on year).

2) Other business

The Company develops, sells, and operates computer software in the “other business” segment. Sales in the other business segment amounted to ¥34 million (down 74.1% year on year).

Liquidation of System Equipment Co., Ltd. (a consolidated subsidiary), which had engaged in other business, was completed as of September 26, 2013.

Forecast for the Next Consolidated Fiscal Year

In Japan, while there are expectations for reflation, backed by economic measures, financial policies and the improvement in the export environment thanks to the correction of the strong yen, there are misgivings about worsening of the economy after the consumption tax rate increase in April 2014. Overseas, the overall world economy remains sluggish despite a recovery trend in the U.S. economy, since the economic recovery in Europe and China is slower than expected. Against this backdrop, the management environment is still harsh and uncertainty remains.

Initiatives to further develop Japanese agriculture are expected to be implemented, as exemplified by the plan made for a large budget concerning agriculture, while there are misgivings about the impact on the domestic agriculture resulting from the Trans-Pacific Partnership Agreement (TPP) negotiations, which are said to be coming to a conclusion. On the other hand, there is concern about a decline in the wake of the last-minute demand rise prior to the consumption tax rate hike in April 2014, and domestic demand for agricultural machinery is assumed to decrease in the fiscal year ending March 2015 under such circumstances. However, living up to the Group’s slogan “Supporting team for the full of dreams farming industry” we will strive to increase sales by enhancing our capabilities to support customers, through which we provide high-quality marketing services and make proposals that match the agriculture management of customers, in addition to conducting “sales of low-cost and energy-saving

agricultural machinery.

Overseas, we will expand markets by launching new strategic products that match the needs of customers in the European and U.S. markets. In the Chinese market, we will push forward with sales expansion by the strategic release of products into its growing agriculture machinery market which is government subsidized, though Iseki-Changzhou Mfg. Co., Ltd. will be excluded from consolidation as it will become an entity accounted for using the equity method through business integration. In the Southeast Asian market, which is expected to grow in the future, we will strive to establish the ISEKI brand.

In terms of profitability, we expect income to decrease from the previous year due to a decrease in gross income, mainly resulting from decreased revenue and the occurrence of initial expenses attendant upon the start of operation of an Indonesian production subsidiary, and to the absence of foreign exchange gains that occurred in the previous fiscal year, despite the effect of the weaker yen, etc.

(2) Analysis of Financial Position

Total assets at the end of the consolidated fiscal year increased ¥18,599 million year on year, to ¥197,628 million. Looking at the breakdown, current assets increased ¥11,413 million year on year and non-current assets increased ¥7,186 million from a year earlier. The changes mainly resulted from a ¥11,142 million increase in notes and accounts receivable-trade and a ¥5,307 million increase in property, plant and equipment. Total liabilities increased ¥12,792 million year on year to ¥128,893 million, primarily due to an increase in notes and accounts payable-trade of ¥4,926 million, an increase in short-term and long-term loans payable of ¥2,822 million, a decline in provision for retirement benefits and an increase in net defined benefit liability of ¥1,206 million. Net assets increased ¥5,807 million year on year, to ¥68,734 million. The increase is primarily due to an increase in retained earnings as a result of posting net income of ¥6,447 million. The equity ratio was 34.0%.

(Cash flows from operating activities)

Cash flows from operating activities came to a net cash inflow of ¥7,007 million (down ¥1,523 million year on year), comprised principally of income before income taxes of ¥7,926 million, depreciation of ¥5,887 million and an increase in notes and accounts receivable-trade of ¥10,729 million.

(Cash flows from investing activities)

Cash flows from investing activities resulted in a net cash outflow of ¥10,038 million (up ¥3,696 million year on year), comprised principally of capital investment expenditures of ¥9,931 million.

(Cash flows from financing activities)

Cash flows from financing activities amounted to a net cash inflow of ¥1,521 million (up ¥2,168 million year on year), due primarily to an increase in interest-bearing liabilities.

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

Indicator	Mar. 31, 2011	Mar. 31, 2012	Mar. 31, 2013	Mar. 31, 2014
Equity ratio (%)	31.4	32.9	34.3	34.0
Market-based equity ratio (%)	25.9	28.1	41.5	31.7
Cash flow/Interest-bearing liabilities ratio (times)	6.2	4.9	4.9	6.3
Interest coverage ratio (times)	7.9	10.7	11.8	9.3

- 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 shares) at the end of the period.
3. The operating cash flow uses the Cash flows from Operating Activities as per the Consolidated Statement of Cash Flows. Interest-bearing liabilities use all the loans payable and bonds payable as recorded in the Consolidated Balance Sheet. The Interest payments use the interest expenses paid as recorded in the Consolidated Statement of Cash Flows.

(3) Basic Policy on Profit Distribution and Dividends for Fiscal Year 2014 and 2015

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 continue making and increase our dividend distribution, taking into consideration, not just consolidated financial results, but our Group's financial position and future business developments as well as changes in our managerial environment.

With respect to dividends for the fiscal year ended March 31, 2014, we will pay a year-end dividend of 4 yen per share.

For the fiscal year ending March 31, 2015, we will pay a year-end dividend of 3 to 4 yen per share.

(4) Risks Which Could Affect Our Business

Latent risks and uncertainties which could affect our future financial performance are exemplified as below. We recognize the possibility of the occurrence of such risks and uncertainties, and will strive to avoid their occurrence and take proper measures should they occur:

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) Price Hike of Raw Materials, Difficulty in Procurement, and Confusion in the Supply Chain

As we procure raw materials and parts from numerous suppliers, their prices suddenly increasing more rapidly than expected and a prolonged tightening of supplies may negatively affect our business performance.

In addition, a fall in production activities due to restrictions on electricity supplies, and disruptions in the supply chain may harm the ISEKI Group's business performance and financial position.

4) 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.

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) Serious Defects in Products and Services

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

7) Stock Market Fluctuation

As we hold securities, stock price declines may harm our business performance and financial position.

8) 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.

9) Risks Derived from International Business

As we promote overseas business development, unexpected changes in tax and legal systems or political unrest of any particular country may unfavorably affect our financial performance when we engage in international business activities.

In addition, as we focus on expanding business to the Asian region, mainly a difficulty in ensuring human resources, immature technological levels and unstable labor-management relationships in the region may hinder the ISEKI Group's business development.

10) Risk of Legal Violation

We are making group-wide efforts to accomplish complete legal compliance and drive home the code of ethical behavior by establishing the "ISEKI Group Code of Ethical Behavior" and 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 the Group will be restrained and the business performance will be deteriorated.

11) Risk of Natural Disasters and Accidents

Natural disasters such as earthquakes, typhoons, flood or unexpected accidents may occur, which may harm our financial performance.

12) Business Alliances, Joint Ventures and Strategic Investment with Other Companies

We will possibly form business alliances and joint ventures and carry out strategic investment with other companies as necessary. We believe that these measures are an effective means for the effective utilization of the management resources of both parties and for the timely development, production and sales of products.

However, should a conflict of interests occur between the parties concerned in business alliances or joint ventures due to financial position or other reasons, we would not be able to maintain the alliances. With regard to strategic investment, including acquisitions, there is a possibility that the expected results and/or effects will not be obtained in the integration of business, technologies, products and human resources, or that more time and expenses than expected will be required. Accordingly, the success or failure of these measures may seriously affect the ISEKI Group's business and may harm our business performance and financial position.

13) 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 ISEKI Group.

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

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.

The position of the business in the ISEKI Group is stated below.

(Agriculture-related Business)

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

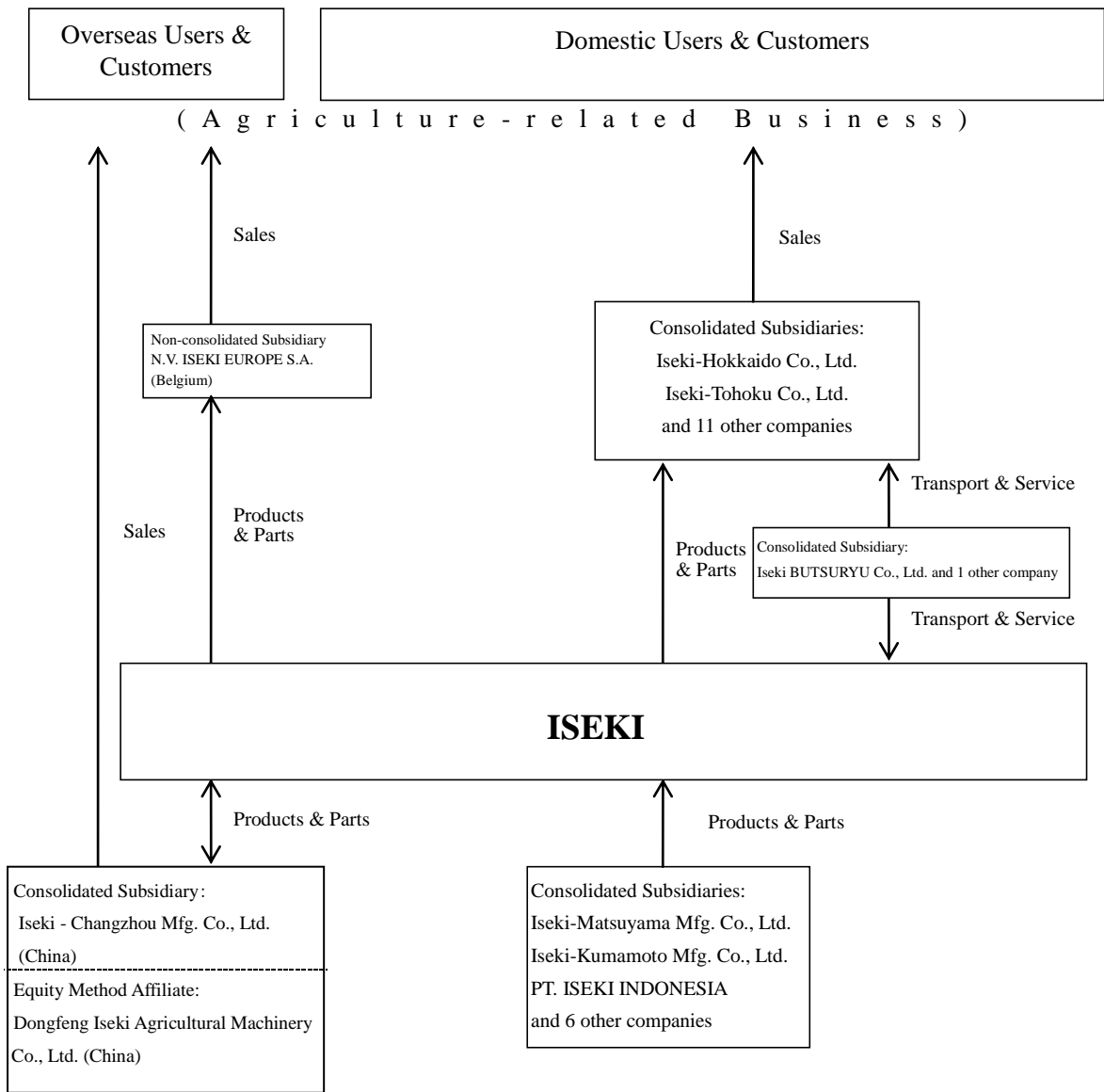
Iseki-Matsuyama Mfg. Co., Ltd., Iseki-Kumamoto Mfg. Co., Ltd. and nine other companies handle our agricultural machinery manufacturing and component processing activities, and 13 domestic sales companies market and sell the machinery across the country. Overseas marketing operations are handled by local distributors and affiliates as well as Iseki-Changzhou Mfg. Co., Ltd and Dongfeng Iseki Agricultural Machinery Co., Ltd.

Dongfeng Iseki Agricultural Machinery (Hubei) Co., Ltd. was renamed Dongfeng Iseki Agricultural Machinery Co., Ltd. in the current fiscal year.

(Other Business)

System Equipment Co., Ltd. is mainly engaged in development of computer software.

Liquidation of System Equipment Co., Ltd. was completed as of September 26, 2013.



3. ISEKI's Management Policies

(1) ISEKI's Basic Management Principles

Since it was established in 1926, ISEKI Group has been contributing to the modernization of Japan's agricultural industry as a all-round 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.

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

Our highest priority objectives are "to enhance product capability, to improve quality, to accelerate cost-cutting measures and to strengthen our sales service capabilities." We are aiming for a strong corporate culture that can maintain a stable operating performance and continued payment of stable dividends to shareholders and will continue in our efforts to reform our profit structure.

(2) Long-term Management Strategies and Issues to be Addressed

To realize future development by establishing a stable customer base in Japan and speeding up global business development in a rapidly changing business environment, we will more quickly focus on the following challenges with all the strength of the ISEKI Group.

1) To establish a stable customer base in Japan

With competition in the market getting keener, we will endeavor to stably ensure a domestic sales share of 20% by focusing on expansion of our tractor sales share in particular, with a view to establishing a stable customer base. We will do our utmost to expand our sales share by continuing to raise customer satisfaction levels. We will do this by providing high-quality and low-cost products and services that support energy conservation and low-cost agriculture from the viewpoint of customers, while systematically focusing on the development of new technologies and cutting-edge technologies and coping with the diversification of cultivation systems and forms of agricultural management.

Also, we will strive to expand domestic sales by further improving customer satisfaction. We will do this by not only more speedily focusing on the development of products responding to major changes in domestic agricultural policies, including the change in the rice policy, but also enhancing our capability to support customers through providing high-quality marketing services and proposals that match the agricultural management of customers.

2) To fully develop global strategies

We will strive to realize an overseas sales ratio of 20% at an early stage by accelerating overseas development, with an eye on Southeast Asia, where mechanization is remarkably advancing, in addition to the existing three markets of Europe, North America and China.

With regard to North America, Europe and other markets, we will further expand the markets by launching new

strategic products that satisfy customer needs.

In addition, we will work on developing and deploying new products for Dongfeng Iseki Agricultural Machinery Co., Ltd., which will undergo business integration, and establishing a supply chain, etc. in the Chinese market, where the mechanization of agriculture is rapidly advancing. In the Southeast Asian market, which is expected to grow in the future, we will endeavor to establish the ISEKI brand by realizing stable operation at PT. ISEKI INDONESIA, which has started production, at an early stage and reinforcing the sales capability of ISEKI SALES (THAILAND) CO., LTD., which has begun making sales.

In addition, we will focus on expanding our business development to meet diversifying market needs by enhancing our development, production, sales and service structures from a locally oriented standpoint.

3) To enhance product capability and promote cost structure reform

Our first priority lies with products that garner a high reputation among our customers. Hence, our sales, development, procurement and manufacturing operations are working together to improve design quality at the development process and manufacturing quality through the reform of the production process and to establish a framework of quality assurance by grasping the quality required by the market and thoroughly conducting quality tests, with a view to improving product quality.

As demand for low-priced products is growing both in Japan and overseas, we take strong measures such as cost structure reform, comprised of “low-cost design”, “low-cost production” and “low-cost procurement”, with each of the divisions of development, manufacturing and purchasing working together.

The Company underwent on-site inspections by the Fair Trade Commission (FTC) in November 2013 on suspicion of possible violation of the Antimonopoly Act regarding bidding for facility construction work. We fully cooperate in the inspections of the FTC and will strive to more thoroughly comply with laws and ordinances and enhance internal control.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(millions of yen)

	FY2013 (as of Mar. 31, 2013)	FY2014 (as of Mar. 31, 2014)
Assets		
Current Assets:		
Cash and deposits	9,285	8,228
Notes and accounts receivable-trade	30,455	41,598
Securities	19	—
Merchandise and finished goods	37,242	36,889
Work in process	3,344	4,882
Raw materials and supplies	2,090	1,548
Deferred tax assets	1,140	1,794
Other	2,837	2,944
Allowance for doubtful accounts	(51)	(107)
Total Current Assets	86,365	97,779
Non-current Assets:		
Property, plant and equipment		
Buildings and structures, net	14,991	16,602
Machinery, equipment and vehicles, net	6,944	7,041
Tools, furniture and fixtures, net	1,903	2,550
Land	50,471	51,015
Leased assets, net	6,010	7,311
Construction in progress	1,507	2,611
Other, net	16	19
Total property, plant and equipment	81,844	87,152
Intangible assets	965	1,006
Investments and other assets		
Investment securities	6,539	7,269
Long-term loans receivable	124	106
Net defined benefit asset	—	288
Deferred tax assets	645	1,374
Other	2,922	3,116
Allowance for doubtful accounts	(380)	(464)
Total investments and other assets	9,852	11,690
Total Non-current Assets	92,662	99,848
Total Assets	179,028	197,628

	(millions of yen)	
	FY2013	FY2014
	(as of Mar. 31, 2013)	(as of Mar. 31, 2014)
Liabilities		
Current Liabilities:		
Notes and accounts payable-trade	42,609	47,536
Short-term loans payable	15,199	20,132
Current portion of bonds	100	—
Current portion of long-term loans payable	5,984	6,387
Lease obligations	1,713	2,087
Accrued consumption taxes	448	354
Income taxes payable	1,108	1,788
Deferred tax liabilities	0	—
Accrued expenses	4,616	5,084
Provision for bonuses	303	350
Provision for loss on construction contracts	—	33
Other	4,518	6,161
Total Current Liabilities	76,602	89,916
Non-current Liabilities:		
Long-term loans payable	20,382	17,870
Lease obligations	4,755	5,730
Deferred tax liabilities	639	250
Deferred tax liabilities for land revaluation	6,644	6,644
Provision for retirement benefits	5,453	—
Net defined benefit liability	—	6,660
Provision for directors' retirement benefits	125	126
Asset retirement obligations	262	264
Other	1,234	1,429
Total Non-current Liabilities	39,498	38,977
Total Liabilities	116,101	128,893
Net Assets		
Shareholders' equity		
Capital stock	23,344	23,344
Capital surplus	13,454	13,454
Retained earnings	11,522	17,266
Treasury shares	(25)	(30)
Total Shareholders' Equity	48,296	54,034
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	928	1,338
Revaluation reserve for land	11,816	11,831
Foreign currency translation adjustment	288	1,170
Remeasurements of defined benefit plans	—	(1,269)
Total accumulated other comprehensive income	13,033	13,072
Minority interests	1,598	1,628
Total Net Assets	62,927	68,734
Total Liabilities and Net Assets	179,028	197,628

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

Consolidated Statement of Income

(millions of yen)

	FY2013 (Apr. 1, 2012- Mar. 31, 2013)	FY2014 (Apr. 1, 2013- Mar. 31, 2014)
Net sales	155,697	169,129
Cost of sales	107,537	116,412
Gross profit	48,159	52,716
Selling, general and administrative expenses	43,014	45,345
Operating income	5,144	7,371
Non-operating income		
Interest income	178	192
Dividend income	142	147
Foreign exchange gains	709	1,268
Subsidies received	103	80
Rent income	158	172
Gain on sales of scraps	110	170
Other	404	564
Total non-operating income	1,806	2,596
Non-operating expenses		
Interest expenses	728	758
Sales discounts	95	105
Loss on abandonment of inventories	343	410
Other	368	407
Total non-operating expenses	1,536	1,682
Ordinary income	5,414	8,285
Extraordinary income		
Gain on sales of non-current assets	22	30
Compensation income	211	45
Insurance income	168	—
Gain on sale of investment securities	1	32
Total extraordinary income	404	107
Extraordinary losses		
Loss on sales and retirement of non-current assets	177	355
Impairment loss	21	86
Loss on disaster	90	—
Other	37	24
Total extraordinary losses	327	467
Income before income taxes	5,491	7,926
Income taxes-current	1,507	2,756

	FY2013 (Apr. 1, 2012- Mar. 31, 2013)	FY2014 (Apr. 1, 2013- Mar. 31, 2014)
Income taxes-deferred	(21)	(1,297)
Total income taxes	1,486	1,459
Income before minority interests	4,004	6,466
Minority interests in income	24	19
Net income	3,979	6,447

Consolidated Statement of Comprehensive Income

(millions of yen)

	FY2013 (Apr. 1, 2012- Mar. 31, 2013)	FY2014 (Apr. 1, 2013- Mar. 31, 2014)
Income before minority interests	4,004	6,466
Other comprehensive income		
Valuation difference on available-for-sale securities	666	405
Deferred gains or losses on hedges	(3)	—
Foreign currency translation adjustment	312	836
Share of other comprehensive income of entities accounted for using equity method	32	63
Total other comprehensive income	1,008	1,305
Comprehensive income	5,012	7,772
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	4,977	7,740
Comprehensive income attributable to minority interests	34	32

(3) Consolidated Statement of Changes in Equity
FY2013 (Apr. 1, 2012-Mar. 31, 2013)

(millions of yen)

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at the beginning of period	23,344	13,454	7,887	(22)	44,664
Changes of items during the period					
Dividends of surplus			(344)		(344)
Net income			3,979		3,979
Purchase of treasury shares				(2)	(2)
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	3,634	(2)	3,631
Balance at the end of period	23,344	13,454	11,522	(25)	48,296

	Accumulated Other Comprehensive Income						Minority Interests	Total Net Assets
	Valuation Difference on Available-for-sale Securities	Deferred gains or losses on hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustment	Remeasurements of defined benefit plans	Total Accumulated Other Comprehensive Income		
Balance at the beginning of period	265	3	11,816	(51)	—	12,034	1,490	58,189
Changes of items during the period								
Dividends of surplus								(344)
Net income								3,979
Purchase of treasury shares								(2)
Net changes of items other than shareholders' equity	662	(3)	—	339	—	998	107	1,106
Total changes of items during the period	662	(3)	—	339	—	998	107	4,738
Balance at the end of period	928	—	11,816	288	—	13,033	1,598	62,927

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance at the beginning of period	23,344	13,454	11,522	(25)	48,296
Changes of items during the period					
Dividends of surplus			(689)		(689)
Net income			6,447		6,447
Purchase of treasury shares				(4)	(4)
Reversal of revaluation reserve for land			(14)		(14)
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	5,743	(4)	5,738
Balance at the end of period	23,344	13,454	17,266	(30)	54,034

	Accumulated Other Comprehensive Income						Minority Interests	Total Net Assets
	Valuation Difference on Available-for-sale Securities	Deferred gains or losses on hedges	Revaluation Reserve for Land	Foreign Currency Translation Adjustment	Remeasurements of defined benefit plans	Total Accumulated Other Comprehensive Income		
Balance at the beginning of period	928	—	11,816	288	—	13,033	1,598	62,927
Changes of items during the period								
Dividends of surplus								(689)
Net income								6,447
Purchase of treasury shares								(4)
Reversal of revaluation reserve for land								(14)
Net changes of items other than shareholders' equity	410	—	14	882	(1,269)	38	29	68
Total changes of items during the period	410	—	14	882	(1,269)	38	29	5,807
Balance at the end of period	1,338	—	11,831	1,170	(1,269)	13,072	1,628	68,734

(4) Consolidated Statement of Cash Flows

(millions of yen)

	FY2013 (Apr. 1, 2012- Mar. 31, 2013)	FY2014 (Apr. 1, 2013- Mar. 31, 2014)
Cash flows from Operating Activities:		
Income before income taxes	5,491	7,926
Depreciation	5,535	5,887
Impairment loss	21	86
Amortization of goodwill	1	0
Increase (decrease) in provision for retirement benefits	(31)	(5,453)
Increase (decrease) in net defined benefit liability	—	4,716
Loss (gain) on sales of investment securities	(0)	(32)
Interest and dividend income	(320)	(339)
Interest expenses	728	758
Foreign exchange losses (gains)	(214)	(237)
Loss (gain) on sales of property, plant and equipment and intangible assets	154	324
Compensation income	(211)	(45)
Insurance income	(168)	—
Decrease (increase) in notes and accounts receivable-trade	(1,752)	(10,729)
Decrease (increase) in inventories	200	238
Increase (decrease) in notes and accounts payable-trade	(1,057)	4,573
Other	536	1,617
Subtotal	8,912	9,292
Interest and dividends income received	317	343
Interest expenses paid	(723)	(753)
Proceeds from compensation	199	56
Proceeds from insurance income	168	—
Income taxes paid	(1,309)	(2,084)
Income taxes refund	966	152
Net cash provided by (used in) operating activities	8,531	7,007
Cash flows from Investing Activities:		
Purchase of securities	(19)	—
Proceeds from sales of securities	19	19
Purchase of property, plant and equipment and intangible assets	(6,215)	(9,931)
Proceeds from sales of property, plant and equipment and intangible assets	103	205
Purchase of investment securities	(377)	(154)
Proceeds from sales of investment securities	12	67

	FY2013 (Apr. 1, 2012- Mar. 31, 2013)	FY2014 (Apr. 1, 2013- Mar. 31, 2014)
Decrease (increase) in loans receivable	29	21
Decrease (increase) in time deposits	(145)	185
Payments for investments in capital of subsidiaries and associates	—	(322)
Other	249	(129)
Net cash provided by (used in) investing activities	(6,342)	(10,038)
Cash flows from Financing Activities:		
Net increase (decrease) in short-term loans payable	(2,018)	4,223
Proceeds from long-term loans payable	10,320	4,360
Repayments of long-term loans payable	(8,753)	(6,469)
Redemption of bonds	—	(100)
Proceeds from sales and leasebacks	1,863	2,119
Repayments of lease obligations	(1,779)	(1,912)
Purchase of treasury shares	(2)	(4)
Proceeds from share issuance to minority shareholders	75	—
Cash dividends paid	(339)	(682)
Other	(12)	(13)
Net cash provided by (used in) financing activities	(647)	1,521
Effect of Exchange Rate Change on Cash and Cash		
Equivalents	545	638
Net Increase (Decrease) in Cash and Cash Equivalents	2,087	(870)
Cash and Cash Equivalents at Beginning of Period	6,952	9,040
Cash and Cash Equivalents at End of Period	9,040	8,169

(5) Notes to the Consolidated Financial Statements

(Notes Regarding the Going Concern Assumption)

Not applicable

(Important Basic Items for Preparing Consolidated Financial Statements)

1. Scope of consolidation

Number of consolidated subsidiaries.....25 companies

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

System Equipment Co., Ltd. was excluded from the scope of consolidation, since its liquidation completed as of September 26, 2013.

2. Scope of the equity method companies

Number of affiliates.....1 company (Dongfeng Iseki Agricultural Machinery Co., Ltd.)

Dongfeng Iseki Agricultural Machinery (Hubei) Co., Ltd. was renamed Dongfeng Iseki Agricultural Machinery Co., Ltd. in the current fiscal year.

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. 9 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 leased assets)

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

(b) Intangible assets (excluding leased assets)

The 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) Leased assets

Leased assets derived from finance leases other than those leases which transfer the ownership of the assets to the lessee are amortized using the 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 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.

(d) Provision for loss on construction contracts

To provide for future loss on construction contracts already concluded, an estimated amount of loss is booked regarding construction works which had not been completed by the end of the current fiscal year and for which a loss is expected to occur and the amount of loss can be estimated reasonably.

(4) Accounting treatment related to retirement benefits

(a) Method of attributing the projected benefits to periods of service

In calculating retirement benefits, the method of attributing the projected benefits to periods until the end of the current fiscal year is based on the straight-line method attribution.

(b) Method of amortization of actuarial gains or losses, prior service cost and unrecognized net obligation at the date of initial application of the new accounting standards

Actuarial gains or losses are amortized as incurred over the periods, which are the average remaining service years of employees, by the straight-line method, starting from the following fiscal year. Prior service cost is amortized as incurred over the periods, which are the average remaining service years of employees, by the straight-line method. With regard to unrecognized net obligation at the date of initial

application of the new accounting standards, the amount allocated by the straight-line method over 15 years is expensed.

Unrecognized actuarial gains or losses, unrecognized prior service cost and unrecognized net obligation at the date of initial application of the new accounting standards are recorded as Remeasurements of defined benefit plans in Accumulated other comprehensive income under the Net Assets section after tax effect accounting is applied.

(c) Adoption of the simplified method at small companies

For calculating net defined benefit liability and retirement benefit expenses, some consolidated subsidiaries apply the simplified method which assumes the company's benefit obligation to be equal to the benefits payable assuming the voluntary retirement of all employees takes place at fiscal year-end.

(5) 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.

(6) 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" and "Minority interests" in shareholders' equity and financial statements.

(7) 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, scheduled transactions denominated in foreign currencies, and loans payable

(c) Hedging policies

The financial risks associated with fluctuations in foreign currencies exchange rates and interest rates are hedged.

Risks associated with fluctuations in foreign currencies exchange rates concerning transactions in

foreign currencies, which occur when import and export operations are performed, are hedged by keeping a balance between export exchanges and import exchanges. With regard to risks associated with fluctuations in interest rates on loans payable, risks concerning variable interest rate loans payable are hedged, mainly with a view to equalizing interest burdens.

(8) Amortization method and amortization period of goodwill

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

(9) Cash and cash equivalents in the Consolidated Statement of Cash Flows

Cash and cash equivalents consist of cash on hand, demand deposits, 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.

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

(a) Accounting treatment of consumption tax

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

(Change in accounting policy)

(Application of the Accounting Standard for Retirement Benefits, etc.)

With the application of the “Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012) and the “Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012)” at the end of the current fiscal year (however, excluding the provisions given in the text of Paragraph 35 of the Retirement Benefits Accounting Standard and those given in the text of Paragraph 67 of the Retirement Benefit Application Guidance), the Company and its domestic consolidated subsidiaries changed the previous method to a method of recording the amount obtained by deducting plan assets from retirement benefit obligations as net defined benefit liability (however, in a case where plan assets exceeds retirement benefit obligations, the amount obtained will be recorded as net defined benefit asset), and recorded unrecognized actuarial gains or losses, unrecognized prior service cost and unrecognized net obligation at the date of initial application of the new accounting standards as net defined benefit asset and net defined benefit liability.

The Retirement Benefits Accounting Standard, etc. were applied pursuant to the transitional handling specified in Paragraph 37 of the Retirement Benefits Accounting Standard, and the amount resulting from the impact of the said change is adjusted in remeasurements of defined benefit plans under accumulated other comprehensive income.

As a result, net defined benefit asset of 288 million yen and net defined benefit liability of 6,660 million yen were recorded at the end of the current fiscal year. Accumulated other comprehensive income decreased 1,269 million yen.

The impact on per share information is described in the relevant part.

(Consolidated Balance Sheets Information)

	FY2013	FY2014
1. Accumulated depreciation of property, plant and equipment	99,190 million yen	100,103 million yen
2. Guaranteed liabilities	5,203 million yen	5,527 million yen
3. Notes receivable less discount-trade	2 million yen	6 million yen
4. Endorsed notes receivable-trade	192 million yen	153 million yen
5. Notes to mature on the last day of the fiscal year		
Notes to mature on the last day of the fiscal year are settled as of the clearing date.		
The balance at the end of period includes notes to mature on the last day of the next fiscal year, since the last day of the last fiscal year under review fell on a holiday of financial institutions.		
Notes receivable-trade	154 million yen	— million yen
Notes payable-trade	1,934 million yen	— million yen
Other (Notes payable-facilities)	19 million yen	— million yen
6. Revaluation of land for business use		
The Company 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 (non-current liabilities) as a “Deferred tax liabilities for land revaluation” and the deducted amount has been recorded under net 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 non-current 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	• • • • (11,670) million yen	(12,016) million yen

(Consolidated Statements of Income Information)

	FY2013	FY2014
1. Research and development expenses	4,280 million yen	4,664 million yen
2. Impairment loss		

FY2013 (April 1, 2012 - March 31, 2013)

The Company recorded impairment losses on the following assets.

(millions of yen)

Usage	Type	Location	Impairment loss
Idle property Land		Yonago, Tottori Pref.	6
		Mitoyo, Kagawa Pref.	4
		Taragimachi, Kuma-gun, Kumamoto Pref.	4
		Kirishima, Kagoshima Pref.	6
Total			21

(Reason to record impairment loss)

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

(Measurement of recoverable amount)

Recoverable amount is measured using net selling price. The price is determined by applying reasonable adjustments to the assessed value of non-current assets for property tax.

FY2014 (April 1, 2013 - March 31, 2014)

The Company recorded impairment losses on the following assets.

(millions of yen)

Usage	Type	Location	Impairment loss
Idle property	Buildings, Structures, Land	Ishigemachi, Yuki-gun, Ibaraki Pref.	34
	Buildings, Land	Yasugi, Shimane Pref.	12
	Buildings	Iga, Mie Pref.	2
		Ibigawa-cho, Ibi-gun, Gifu Pref.	0
	Land	Ichinomiyamachi, Chosei-gun, Chiba Pref.	27
		Hokota, Ibaraki Pref.	10
Total			86

(Reason to record impairment loss)

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

(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 non-current assets for property tax.

(Consolidated Statement of Changes in Equity Information)

FY2013 (April 1, 2012 - March 31, 2013)

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

	Number of shares (as of Apr. 1, 2012)	Increase in number of shares during period	Decrease in number of shares during period	Number of shares (as of Mar. 31, 2013)
(Number of outstanding shares) Common stock	229,849,936	—	—	229,849,936
(Treasury shares) Common stock	89,379	12,575	—	101,954

Increase in the number of shares, 12,575 shares during the period was by purchasing of shares below stock trading unit.

2. Dividends

(1) Cash dividends paid

Resolution	Type of shares	Total amount of dividend paid (millions of yen)	Dividend per share (yen)	Record date	Effective date
Regular Meeting of Shareholders on Jun. 26, 2012	Common stock	344	1.50	Mar. 31, 2012	Jun. 27, 2012

(2) Of the dividends for which the record date belongs to the fiscal year ended March 31, 2013, those for which the effective date of the dividends will be in the fiscal year ending March 31, 2014.

Resolution	Type of shares	Source of funds for dividends	Total amount of dividend paid (millions of yen)	Dividend per share (yen)	Record date	Effective date
Regular Meeting of Shareholders on Jun. 25, 2013	Common stock	Retained earnings	689	3.00	Mar. 31, 2013	Jun. 26, 2013

FY2014 (April 1, 2013 - March 31, 2014)

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

	Number of shares (as of Apr. 1, 2013)	Increase in number of shares during period	Decrease in number of shares during period	Number of shares (as of Mar. 31, 2014)
(Number of outstanding shares) Common stock	229,849,936	—	—	229,849,936
(Treasury shares) Common stock	101,954	15,300	—	117,254

Increase in the number of shares, 15,300 shares during the period was by purchasing of shares below stock trading unit.

2. Dividends

(1) Cash dividends paid

Resolution	Type of shares	Total amount of dividend paid (millions of yen)	Dividend per share (yen)	Record date	Effective date
Regular Meeting of Shareholders on Jun. 25, 2013	Common stock	689	3.00	Mar. 31, 2013	Jun. 26, 2013

(2) Of the dividends for which the record date belongs to the fiscal year ended March 31, 2014, those for which the effective date of the dividends will be in the fiscal year ending March 31, 2015.

Resolution	Type of shares	Source of funds for dividends	Total amount of dividend paid (millions of yen)	Dividend per share (yen)	Record date	Effective date
Regular Meeting of Shareholders on Jun. 25, 2014	Common stock	Retained earnings	918	4.00	Mar. 31, 2014	Jun. 26, 2014

(Consolidated Statement of Cash Flows Information)

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

	FY2013	FY2014
Cash and deposits	9,285 million yen	8,228 million yen
Time deposits with terms of more than 3 months	(245) million yen	(59) million yen
Total cash and cash equivalents	9,040 million yen	8,169 million yen

(Segment Information)

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

FY2013 (April 1, 2012 - March 31, 2013)

(millions of yen)

	Agriculture-related	Other	Total	Adjustments	Amount reported in the consolidated financial statements
Net sales					
Sales to outside customers	155,564	133	155,697	—	155,697
Internal sales or transfers between segments	0	132	132	(132)	—
Total	155,564	265	155,829	(132)	155,697
Segment income	3,975	4	3,979	—	3,979
Segment assets	178,948	211	179,159	(130)	179,028
Segment liabilities	41,666	—	41,666	—	41,666
Other items					
Depreciation	5,535	0	5,535	—	5,535
Amortization of goodwill	—	1	1	—	1
Interest income	178	0	179	(0)	178
Interest expenses	729	—	729	(0)	728
Share of loss of entities accounted for using equity method	96	—	96	—	96
Extraordinary income	404	—	404	—	404
Extraordinary losses	327	—	327	—	327
Taxes	1,485	1	1,486	—	1,486
Increase of property, plant and equipment and intangible assets	9,659	—	9,659	—	9,659

Notes:

1. Adjustment represents reduction in internal unrealized profit.
2. Segment income has been adjusted from net income reported in the Consolidated Statement of Income.
3. Segment assets have been adjusted from total assets reported in the Consolidated Balance Sheet.
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).

FY2014 (April 1, 2013 - March 31, 2014)

(millions of yen)

	Agriculture-related	Other	Total	Adjustments	Amount reported in the consolidated financial statements
Net sales					
Sales to outside customers	169,094	34	169,129	—	169,129
Internal sales or transfers between segments	—	30	30	(30)	—
Total	169,094	64	169,159	(30)	169,129
Segment income (loss)	6,513	(66)	6,447	—	6,447
Segment assets	197,628	—	197,628	—	197,628
Segment liabilities	44,389	—	44,389	—	44,389
Other items					
Depreciation	5,887	0	5,887	—	5,887
Amortization of goodwill	—	0	0	—	0
Interest income	192	0	192	(0)	192
Interest expenses	758	—	758	(0)	758
Share of loss of entities accounted for using equity method	52	—	52	—	52
Extraordinary income	107	—	107	—	107
Extraordinary losses	466	1	467	—	467
Taxes	1,453	5	1,459	—	1,459
Increase of property, plant and equipment and intangible assets	13,850	—	13,850	—	13,850

Notes:

1. Adjustment represents reduction in internal unrealized profit.
2. Segment income (loss) has been adjusted from net income reported in the Consolidated Statement of Income.
3. Segment assets have been adjusted from total assets reported in the Consolidated Balance Sheet.
4. Segment liabilities represent short-term loans payable and long-term loans payable (including the current portion of long-term loans payable).
5. Liquidation of System Equipment Co., Ltd., which had engaged in other business, was completed as of September 26, 2013.

(Per Share Information)

(yen)

	FY2013	FY2014
Net assets per share	266.94	292.11
Net income per share	17.32	28.06

Notes:

1. The Company has not presented net income per share after adjustment for dilutive securities because there are no dilutive securities.
2. As stated in “Change in accounting policy,” the Accounting Standard for Retirement Benefits, etc. were applied pursuant to the transitional handling specified in Paragraph 37 of the Retirement Benefits Accounting Standard. As a result, net assets per share decreased ¥5.52.
3. Basis of calculation of net income (loss) per share

	FY2013	FY2014
Net income per share		
Net income reported in the Consolidated Statement of Income (millions of yen)	3,979	6,447
Net income attributed to common shares (millions of yen)	3,979	6,447
Net income (loss) not attributable to common shares (millions of yen)	—	—
During period average number of common shares (shares)	229,755,478	229,740,557

(Significant Subsequent Events)

FY2013 (April 1, 2012 – March 31, 2013)

Not applicable

FY2014 (April 1, 2013 – March 31, 2014)

Not applicable

5. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheet

(millions of yen)

	FY2013 (as of Mar. 31, 2013)	FY2014 (as of Mar. 31, 2014)
Assets		
Current Assets:		
Cash and deposits	4,060	3,232
Notes receivable-trade	8,642	7,471
Accounts receivable-trade	28,318	35,842
Merchandise and finished goods	11,575	10,350
Work in process	383	1,441
Raw materials and supplies	250	304
Advance payments-trade	289	163
Prepaid expenses	256	259
Deferred tax assets	642	437
Short-term loans receivable	6,495	5,783
Other	1,426	1,311
Allowance for doubtful accounts	(8)	(9)
Total Current Assets	62,332	66,588
Non-current Assets:		
Property, plant and equipment		
Buildings, net	3,262	4,005
Structures, net	178	253
Machinery and equipment, net	1,780	1,652
Vehicles, net	0	0
Tools, furniture and fixtures, net	875	1,211
Land	25,369	25,195
Leased assets, net	187	189
Construction in progress	284	175
Total property, plant and equipment	31,938	32,683
Intangible assets		
Leasehold right	85	85
Software	253	226
Leased assets	119	137
Other	56	48
Total intangible assets	514	498
Investments and other assets		
Investment securities	6,226	6,850
Shares of subsidiaries and associates	18,157	18,188
Investments in capital	91	100

	FY2013 (as of Mar. 31, 2013)	FY2014 (as of Mar. 31, 2014)
Investments in capital of subsidiaries and associates	1,075	1,398
Long-term loans receivable	4,353	5,639
Long-term prepaid expenses	249	408
Other	988	1,524
Allowance for doubtful accounts	(185)	(337)
Allowance for investment loss	(989)	(849)
Total investments and other assets	29,968	32,923
Total Non-current Assets	62,422	66,104
Total Assets	124,755	132,693
Liabilities		
Current Liabilities:		
Notes payable-trade	16,636	21,030
Accounts payable-trade	14,364	15,653
Short-term loans payable	6,000	6,000
Current portion of long-term loans payable	2,835	3,092
Lease obligations	120	120
Account payable-other	822	934
Accrued expenses	2,075	2,504
Income taxes payable	129	588
Advances received	911	1,027
Deposits received	361	424
Provision for loss on construction contracts	—	33
Other	659	485
Total Current Liabilities	44,915	51,893

(millions of yen)

	FY2013 (as of Mar. 31, 2013)	FY2014 (as of Mar. 31, 2014)
Non-current Liabilities:		
Long-term loans payable	15,146	12,554
Lease obligations	202	223
Deferred tax liabilities	551	268
Deferred tax liabilities for land revaluation	6,644	6,644
Provision for retirement benefits	1,395	1,685
Asset retirement obligations	118	118
Long-term deposits received	703	673
Other	73	70
Total Non-current Liabilities	24,835	22,239
Total Liabilities	69,750	74,132
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 surplus	14,004	14,004
Retained earnings		
Other retained earnings		
Retained earnings brought forward	4,956	8,087
Total retained earnings	4,956	8,087
Treasury shares	(25)	(30)
Total Shareholders' Equity	42,281	45,406
Valuations and Translation Adjustments		
Valuation difference on available-for-sale securities		
	906	1,321
Revaluation reserve for land	11,816	11,831
Total valuation and translation adjustments	12,723	13,153
Total Net Assets	55,004	58,560
Total Liabilities and Net Assets	124,755	132,693

(2) Non-consolidated Statements of Income

(millions of yen)

	FY2013 (Apr. 1, 2012- Mar. 31, 2013)	FY2014 (Apr. 1, 2013- Mar. 31, 2014)
Net sales	91,945	106,459
Cost of sales	79,527	91,516
Gross profit	12,418	14,942
Selling, general and administrative expenses	11,761	12,966
Operating income	656	1,975
Non-operating income		
Interest income	326	336
Dividend income	811	1,554
Rent income	1,112	1,230
Other	774	1,282
Total non-operating income	3,025	4,403
Non-operating expenses		
Interest expenses	291	277
Sales discounts	47	51
Rent expenses	754	958
Other	409	510
Total non-operating expenses	1,503	1,798
Ordinary income	2,178	4,580
Extraordinary income		
Gain on sales of non-current assets	6	20
Insurance income	139	—
Total extraordinary income	146	20
Extraordinary losses		
Loss on sales and retirement of non-current assets	61	188
Loss on liquidation of subsidiaries	—	87
Loss on disaster	50	—
Other	36	24
Total extraordinary losses	148	300
Income before income taxes	2,176	4,300
Income taxes-current	137	762
Income taxes-deferred	73	(296)
Total income taxes	210	466
Net income	1,965	3,834

(3) Non-consolidated Statements of Changes in Equity

FY2013 (Apr. 1, 2012 - Mar. 31, 2013)

(millions of yen)

	Shareholders' Equity							Total Shareholders' Equity
	Capital Stock	Capital Surplus			Retained Earnings		Treasury Shares	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at the beginning of period	23,344	11,554	2,450	14,004	3,336	3,336	(22)	40,663
Changes of items during the period								
Dividends of surplus					(344)	(344)		(344)
Net income					1,965	1,965		1,965
Purchase of treasury shares							(2)	(2)
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	—	—	1,620	1,620	(2)	1,618
Balance at the end of period	23,344	11,554	2,450	14,004	4,956	4,956	(25)	42,281

	Valuation and Translation Adjustments				Total Net Assets
	Valuation Difference on Available-for-sale Securities	Deferred gains or losses on hedges	Revaluation Reserve for Land	Total Valuation and Translation Adjustments	
Balance at the beginning of period	249	3	11,816	12,069	52,732
Changes of items during the period					
Dividends of surplus					(344)
Net income					1,965
Purchase of treasury shares					(2)
Net changes of items other than shareholders' equity	657	(3)	—	654	654
Total changes of items during the period	657	(3)	—	654	2,272
Balance at the end of period	906	—	11,816	12,723	55,004

	Shareholders' Equity							
	Capital Stock	Capital Surplus			Retained Earnings		Treasury Shares	Total Shareholders' Equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at the beginning of period	23,344	11,554	2,450	14,004	4,956	4,956	(25)	42,281
Changes of items during the period								
Dividends of surplus					(689)	(689)		(689)
Net income					3,834	3,834		3,834
Purchase of treasury shares							(4)	(4)
Reversal of revaluation reserve for land					(14)	(14)		(14)
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	—	—	3,130	3,130	(4)	3,125
Balance at the end of period	23,344	11,554	2,450	14,004	8,087	8,087	(30)	45,406

	Valuation and Translation Adjustments				Total Net Assets
	Valuation Difference on Available-for-sale Securities	Deferred gains or losses on hedges	Revaluation Reserve for Land	Total Valuation and Translation Adjustments	
Balance at the beginning of period	906	—	11,816	12,723	55,004
Changes of items during the period					
Dividends of surplus					(689)
Net income					3,834
Purchase of treasury shares					(4)
Reversal of revaluation reserve for land					(14)
Net changes of items other than shareholders' equity	415	—	14	430	430
Total changes of items during the period	415	—	14	430	3,555
Balance at the end of period	1,321	—	11,831	13,153	58,560

(4) Notes to the Non-consolidated Financial Statements

(Notes Regarding the Going Concern Assumption)

Not applicable

6. Others

(1) Production, Orders & Sales

1) Production results per product-type

(millions of yen)

Product-type	FY2013 (Apr. 1, 2012-Mar. 31, 2013)	FY2014 (Apr. 1, 2013-Mar. 31, 2014)	Change from previous period
Cultivating & mowing machinery	42,360	59,797	17,436
Planting machinery	22,754	17,332	(5,421)
Harvesting and processing machinery	27,166	28,043	876
Parts and farming implements	2,483	2,261	(222)
Other agriculture related business	8,445	8,404	(41)
Agriculture-related business total	103,211	115,840	12,628
Other business total	—	—	—
Total	103,211	115,840	12,628

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		FY2013 (Apr. 1, 2012-Mar. 31, 2013)		FY2014 (Apr. 1, 2013-Mar. 31, 2014)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	41,670	26.8	49,963	29.6	8,292	19.9
	Planting machinery	17,497	11.2	17,620	10.4	122	0.7
	Harvesting and processing machinery	28,413	18.3	29,281	17.3	867	3.1
	Parts and farming implements	33,367	21.4	37,357	22.1	3,989	12.0
	Other agriculture related business	34,614	22.2	34,871	20.6	256	0.7
	Agriculture-related business total	155,564	99.9	169,094	100	13,530	8.7
	Other business total	133	0.1	34	0.0	(98)	(74.1)
	Total	155,697	100	169,129	100	13,431	8.6

(b) Domestic

(millions of yen)

Product-type		FY2013 (Apr. 1, 2012-Mar. 31, 2013)		FY2014 (Apr. 1, 2013-Mar. 31, 2014)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	29,015	21.8	33,322	23.3	4,306	14.8
	Planting machinery	11,220	8.4	10,887	7.6	(333)	(3.0)
	Harvesting and processing machinery	26,830	20.2	28,259	19.8	1,428	5.3
	Parts and farming implements	32,084	24.1	36,048	25.2	3,964	12.4
	Other agriculture related business	33,773	25.4	34,422	24.1	649	1.9
	Agriculture-related business total	132,925	99.9	142,940	100	10,015	7.5
	Other business total	133	0.1	34	0.0	(98)	(74.1)
	Total	133,058	100	142,974	100	9,916	7.5

(c) Overseas

(millions of yen)

Product-type	FY2013 (Apr. 1, 2012-Mar. 31, 2013)		FY2014 (Apr. 1, 2013-Mar. 31, 2014)		Change from previous period	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Cultivating & mowing machinery	12,655	55.9	16,641	63.6	3,986	31.5
Planting machinery	6,277	27.7	6,732	25.8	455	7.3
Harvesting and processing machinery	1,582	7.0	1,022	3.9	(560)	(35.4)
Parts and farming implements	1,283	5.7	1,308	5.0	25	2.0
Other agriculture related business	840	3.7	448	1.7	(392)	(46.6)
Agriculture-related business total	22,638	100	26,154	100	3,515	15.5
Other business total	—	—	—	—	—	—
Total	22,638	100	26,154	100	3,515	15.5

(2) Change in Officers (as of June 25, 2014)**1. Candidate for new Corporate Auditor**

(Expected new title) Corporate Auditor (Outside Auditor)	Name Atsushi Oka	(Current title) General Manager, Risk Supervisory Division, THE IYO BANK, Ltd.
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2. Corporate Auditor who will retire

(Current title) Corporate Auditor (Outside Auditor)	Name Norio Yasunaga	(Title after retirement) —
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