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Company Code: 6310

Stock Exchange Listings: Tokyo 1st Section Osaka 1st Section

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To whom it may concern,

Notice on Three-Year Business Plan

We have the pleasure of advising our “Three-Year Business Plan” for the period from FY2006 to FY2008 as follows.

I. Business Climate

While recovery phase of the Japanese economy continues , business climate surrounding industry requires stern measures in the face of sustained high oil and raw material prices, rising interest rates and value of yen. In the domestic market for agricultural machinery, we anticipate significant structural adjustments to take place in the agricultural industry within short period of time, due to government measures to stabilize farm management by creating and supporting principal farmers.

In overseas markets, we expect to see rapid farm mechanization, in particularly with use of rice cultivating machinery in Asian countries, reflecting their remarkable economic growth. Our sales in the North American and European markets have shifted solidly, centering on tractors and lawn mowers.

II. Summary of the Preceding Three-Year Business Plan

Followings are performances of primary objectives of the preceding Three-Year Business Plan.

- A. The target to attain a 50% increase in overseas sales has resulted in an 80% increase.
- B. The target to reduce the balance of interest bearing liabilities to a level of ¥60 billion was accomplished one year ahead of schedule, and shrank further to ¥55.4 billion level at the end of the just ended fiscal year.
- C. The targeted consolidated operating income ¥10 billion and a 20% market share of the domestic market for agricultural machinery were not attained.

III. Three-Year Business Plan

A. Consolidated Performance Plan

(Billions of yen)

	Year Ended Mar.31, 2006	Year Ending Mar.31, 2007	Year Ending Mar.31, 2008	Year Ending Mar.31, 2009
	Actual	Forecast	Forecast	Forecast
Net Sales	161.7	164.0	168.0	175.0
Domestic	141.2	143.0	145.0	148.0
Overseas	20.5	21.0	23.0	27.0
Operating Income	7.4	6.5	8.2	10.0
Ordinary Income	6.8	6.0	7.7	9.5
Net Income	3.7	3.5	4.2	5.0

• Estimated foreign exchange rates: 1US\$= ¥105, 1Euro= ¥125

• About 0.4% annual rise in interest rates (in particular long-term rates) are expected.

(Reference: Non-consolidated Performance Plan)

(Billions of yen)

	Year Ended Mar.31, 2006	Year Ending Mar.31, 2007	Year Ending Mar.31, 2008	Year Ending Mar.31, 2009
	Actual	Forecast	Forecast	Forecast
Net Sales	93.7	94.0	97.0	103.0
Operating Income	3.1	2.9	3.0	4.2
Ordinary Income	3.8	3.3	3.4	4.6
Net Income	3.9	2.0	2.1	2.5

B. Primary Objectives (FY2008)

1. Ratio of the overseas sales 15%
2. Domestic share of the agricultural machinery 20%
3. Operating Income margin 5.5% or more
4. Shareholders' equity to assets ratio 40% or more
5. Interest bearing liabilities to shareholders' equity ratio (D/E Ratio)
0.6 times or below

C. Basic Strategy

As a strategy to accomplish the Three-Year Business Plan, we will aim at “increasing corporate value” focusing our efforts on the following 4 points.

1. Expansion of overseas sales

We aim at achieving on overseas sales ratio of 15% in FY2008 and 20% by end of FY2010.

2. To secure 20% share of the domestic agricultural machinery market.

3. To strengthening of product competitiveness further.
4. To improve of consolidated financial position by strengthening of earning power and cash flow.

IV. Market Strategy and Measures

A. Overseas Markets

1. North America We aim at increasing our market share by introducing new products.
2. Europe We aim at increasing our market share by expanding sales in the scenery improving market and by opening up the small farming market.
3. China We intend on expanding sales by introducing products and preparing sales networks centered on combine harvesters and rice planters.
4. Asia We plan to expand of sales by introducing products which meet market needs and by preparing sales networks.

B. Domestic Market

1. We will strengthen our commitment to the market for principal farmers.
2. We will strive hard to further enhance customer satisfaction by aggressive introduction of new products and also by improving services through upgrading of service facilities of sales subsidiaries.

C. Strengthening of product competitiveness

We will promote the development and introduction of more competitive new products, reflecting more precisely the regional needs of both the domestic and overseas markets in the product development process. We will continue to make efforts to reduce costs.

1. Introduction of new products targeted at the market for principal farmers and small agricultural machinery market (hobby market).
2. Introduction of products exclusively for the overseas market
3. Cost reduction campaign for new models (target: 30% reduction)
4. Purchasing more parts and products from overseas markets.

D. Improvement of consolidated financial structure

We will attain further improvement of consolidated financial structure and position by strengthening earning power and cash flow at each of our consolidated company.

E. Capital investment

In order to increase product competitiveness and our ability to provide better services, we will step up our capital investment to ¥19.0 billion (up 18%) from ¥16.0 billion, aggregate amount of capital investment during 3 years of the preceding Three-Year Business Plan, for the purpose of strengthening and renewing production facilities as well as preparing service facilities of our sales subsidiaries.