

March 23, 2007

Company Name: ISEKI & CO., LTD.

Company Representative: President Hiroyuki Nakano

Company Code: 6310

Stock Exchange Listing: Tokyo 1st Section, Osaka 1st Section

Enquiries: Managing Director Kazuyoshi Sonoda

(Telephone: +81 3 5604 7710)

Notice of Revision on Business Performance Forecast and Dividend Forecast

We would like to promulgate the fact that we have revised the business performance forecast for the Fiscal Year ending March 2007(April 1, 2006 – March 31, 2007) announced on February 9, 2007 on the occasion of the financial results announcement.

We would also like to promulgate the fact that a resolution was made to revise the forecast of dividends per share for the current fiscal year at the meeting of the board of directors held on March 23, 2007.

I. Revised forecast of business performance for the fiscal year ending March 31, 2007

(April 1, 2006 - March 31,2007)

A. Forecast of consolidated business performance

(Millions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A)	154,000	5,500	5,000	2,500
Latest Forecast (B)	154,000	3,800	3,200	1,100
Difference (B-A)	-	(1,700)	(1,800)	(1,400)
Rate of Change	-	(30.9%)	(36.0%)	(56.0%)
Actual Results for the Previous Fiscal Year	161,744	7,458	6,860	3,756

B. Forecast of non-consolidated business performance

(Millions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A)	91,000	1,900	2,300	1,900
Latest Forecast (B)	90,000	1,300	1,700	1,500
Difference (B-A)	(1,000)	(600)	(600)	(400)
Rate of Change	(1.1%)	(31.6%)	(26.1%)	(21.1%)
Actual Results for the Previous Fiscal Year	93,759	3,131	3,820	3,898

II. Reason for revision on forecast of consolidated business performance

A. Consolidated

Net sales remain unchanged from the previous forecast. In terms of income, we expect operating income to be less than previous forecast by ¥1.7 billion and ordinary income to be lower by ¥1.8 billion due to the downward revision of the non-consolidated business performance coupled with aggravation of business performance by Iseki-Kumamoto Mfg. Co., Ltd. etc, Net income for the current term is also expected to be less than the previous forecast by ¥1.4 billion to ¥1.1 billion.

B. Non-consolidated

We expect sales to be ¥1.0 billion less than the previous forecast due to the sluggish trend of the domestic agricultural machinery market with less than forecasted sales of agricultural machinery and farming implements.

In terms of income, both operating income and ordinary income are expected to be less than the previous forecast by ¥0.6 billion respectively. Net income is expected to be ¥1.5 billion, less than the previous forecast by ¥0.4 billion.

The overstated income of approximately ¥4.0 billion due to inappropriate accounting which was disclosed today separately is not reflected in this revision because the Internal Investigation Committee is to be created to conduct a complete investigation on the issue.

(Note 1) Please refer to “The occurrence of a matter which affects our business performance” disclosed separately today.

III. Revision of dividend forecast for FY2007 ending March

A. Revision

Base date	Dividend per Share (Yen)		
	End of Interim Period	End of FY	Annual
Previous Forecast (November 16,2006)	-	3.00	3.00
Latest Forecast	-	0.00	0.00
Actual DPS (FY2006)	-	3.00	3.00

B. Reason for revision

In view of a sharp deterioration of our business performance for the current fiscal year, we deeply regret to communicate with our shareholders that we are not planning to pay out dividend for FY2007 ending March.

Cautionary statement: The above forecasts were based on information that was available as of the day of this announcement and on assumptions made as of the same day regarding a number of uncertainties that could affect future financial performance. Actual results could differ considerably depending on a variety of factors hereafter.