

Supplementary Information for the Interim Financial Results
(Apr.1, 2007—Sep.30, 2007)

I. Interim Consolidated Performance	(Billions of yen, %)			
	FY 2007 interim actual	FY 2008 interim actual	Variance	
			Amount	%
Net Sales	76.2	71.2	(5.0)	(6.6)
Domestic	67.5	61.8	(5.7)	(8.5)
Overseas	8.7	9.4	0.7	7.9
Operating Income	2.4	(0.3)	(2.7)	-
Balance of Financial Income	(0.6)	(0.6)	-	
Other Non-operating Income	0.5	0.5	-	
Ordinary Income	2.3	(0.4)	(2.7)	-
Extraordinary Gains	-	1.0	1.0	
Extraordinary Losses	(0.3)	(1.6)	(1.3)	
Income Before Income Taxes and Monitory Interests	2.0	(1.0)	(3.0)	-
Income Taxes	(0.8)	(1.2)	(0.4)	
Net Income	1.2	(2.2)	(3.4)	-

A. Comparison with the same period last year:

1. Sales (down ¥5.0 billion (down 6.6%) from the same period last year)

- Domestic sales declined ¥5.7 billion mainly due to reduced sales of agricultural machinery, farming implements and construction of facilities in the midst of the sluggish agricultural machinery market.
- Overseas sales increased ¥0.7 billion as a whole, compensated for the effect of inventory reduction by an OEM partner in North America by sales expansion in European as well as Asian markets.

2. Operating income (down ¥2.7 billion from the same period last year)

- Operating income declined ¥2.7 billion mainly due to decreased gross income by reduced revenue as well as deteriorated profitability caused by intensified competition.

3. Interim net income (decreased ¥3.4 billion from the same period last year)

- Income before taxes declined ¥3.0 billion due to special benefit payment (extraordinary loss) for recruitment of voluntary retirees and gain on securities sold. Net income dropped ¥3.4 billion mainly due to the reversal of deferred tax assets.

B. Comparison with the performance forecast

(Billions of yen, %)

	FY2008	FY2008	Variance	
	Interim	Interim		
	forecast	actual	Amount	%
Net Sales	72.0	71.2	(0.8)	(1.1)
Operating Income	1.0	(0.3)	(1.3)	-
Ordinary Income	0.8	(0.4)	(1.2)	-
Net Income	0.1	(2.2)	(2.3)	-

1. Operating income (down ¥1.3 billion compared with the performance forecast)

Operating income declined ¥1.3 billion due to decreased gross income as a result of reduced sales as well as unattained cost reduction target, etc.

2. Net income (down ¥2.3 billion compared with the performance forecast)

Interim net income declined ¥2.3 billion as a result of the effect of deferred tax assets reversal and others.

(Sales Breakdown)

	FY2006	FY2007	Variance	(Billions of yen)	
	interim	interim		Forecast at	Variance
	actual	actual		Aug. 9	Amount
Agricultural Machinery	33.9	30.5	(3.4)	32.0	(1.5)
Parts & Farming Implements	15.6	14.5	(1.1)	14.5	-
Construction of Facilities	3.0	1.8	(1.2)	1.8	-
Others	15.0	15.0	-	14.8	0.2
Domestic Sales Total	67.5	61.8	(5.7)	63.1	(1.3)
North America	3.4	2.5	(0.9)	2.6	(0.1)
Europe	3.5	4.6	1.1	4.1	0.5
Asia	0.5	0.7	0.2	0.8	(0.1)
China	0.4	0.7	0.3	0.5	0.2
Australia	0.2	0.2	-	0.2	-
Total Product Sales	8.0	8.7	0.7	8.2	0.5
Parts	0.5	0.5	-	0.5	-
Others	0.2	0.2	-	0.2	-
Overseas Sales Total	8.7	9.4	0.7	8.9	0.5
Total	76.2	71.2	(5.0)	72.0	(0.8)

II. Forecast for the fiscal year ending March 31, 2008

We would like to change our business performance forecast for the Fiscal Year ending March 31, 2008 (Apr.1,2007 – Mar.31, 2008) announced on August 9, 2007 as stated below.

A. Business performance forecast for Fiscal Year ending March 31, 2008

(Consolidated)

	Previous forecast	Latest forecast	Variance		(Billions of yen , %)	
					FY 2007 actual	Variance from latest forecast
			Amount	%		
Net Sales	154.0	149.0	(5.0)	(3.2)	153.7	(4.7)
Operating Income	3.0	1.1	(1.9)	(63.3)	2.2	(1.1)
Ordinary Income	2.3	0.1	(2.2)	(95.7)	1.3	(1.2)
Net Income	0.8	(2.3)	(3.1)	-	0	(2.3)

(Non- Consolidated)

	Previous forecast	Latest forecast	Variance		(Billions of yen ,%)	
					FY 2007 actual	Variance from latest forecast
			Amount	%		
Net Sales	87.0	86.0	(1.0)	(1.1)	90.8	(4.8)
Operating Income	0.6	(1.4)	(2.0)	-	0.7	(2.1)
Ordinary Income	0.8	(1.1)	(1.9)	-	0.8	(1.9)
Net Income	0.5	(2.2)	(2.7)	-	(4.8)	2.6

B. Reasons for revision

1. Full year consolidated business performance forecast

1) Net sales

(Domestic)

We anticipate this unfavorable business environment will continue in the domestic agricultural machinery market. Under the circumstances, we strive to expand sales of agricultural machinery through the aggressive introduction of new products. While there is some sign of a recovery trend in product sales, we revise the forecast downward in light of the current situation.

(Overseas)

In terms of export, while we expect the inventory reduction by an OEM partner in North America to continue until March 2008, we expect solid sales in Europe and Asia will more than compensate for the loss.

2) Operating income, Net income

In terms of profit, we expect a reduced profit mainly due to smaller gross margin by reduced sales and the effect of deferred asset reversal.

2. Full year non-consolidated performance forecast

In terms of profit, we expect a reduced profit due to smaller gross margin by reduced sales coupled with the expectation for the continued difficult situation in the domestic agricultural machinery market.

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