

Supplementary Information for the Nine Months of Financial Results  
(Apr.1<sup>st</sup>, 2008—December 31, 2008)

I. Nine Months Consolidated Business Results

(Billions of yen, %)

	3 <sup>rd</sup> Quarter	3 <sup>rd</sup> Quarter	Variance		3 <sup>rd</sup> Quarter	Variance
	Last Fiscal Year	This Fiscal Year	Amount	%	Plan	Amount
Net Sales	106.1	<b>114.6</b>	8.5	8.0	115.4	(0.8)
Domestic	91.9	<b>97.5</b>	5.6	6.1	97.5	—
Overseas	14.2	<b>17.1</b>	2.9	20.4	17.9	(0.8)
Gross Profit on Sales	32.6	<b>35.3</b>	2.7	8.2	35.1	0.2
Gross Profit Margin	30.8%	<b>30.8%</b>	—	—	30.4%	0.4%
Selling, General and Administrative Expenses	32.5	<b>32.8</b>	0.3	1.0	33.1	(0.3)
Operating Income	0.1	<b>2.5</b>	2.4	—	2.0	0.5
Balance of Financial Income	(0.9)	<b>(0.9)</b>	—	—	(0.9)	—
Other Non-operating Income	0.7	<b>0.2</b>	(0.5)	—	0.5	(0.3)
Ordinary Income	(0.1)	<b>1.8</b>	1.9	—	1.6	0.2
Extraordinary Gains	1.4	<b>0.6</b>	(0.8)	—	0.6	—
Extraordinary Losses	(1.6)	<b>(0.6)</b>	1.0	—	(0.7)	0.1
Income Before Income Taxes and Minority Interests	(0.3)	<b>1.8</b>	2.1	—	1.5	0.3
Income taxes	(1.1)	<b>(0.9)</b>	0.2	—	(1.0)	0.1
Net Income	(1.4)	<b>0.9</b>	2.3	—	(0.5)	0.4

1) Comparison with the same period of the previous year

A. Net Sales: Net sales increased by ¥8.5 billion (up8.0%) compared to the same period last year.

- Domestic sales increased ¥5.6 billion (up 6.1%) to ¥97.5 billion, due to expanded sales of agricultural machinery and farming implements, which reflected the recovery trend of the market as well as the emergence of anticipated demand prior to the raise in the retail prices.
- Overseas sales increased ¥2.9 billion (up 20.4%) to ¥17.1 billion in spite of reduced sales in Asia due to sharp foreign exchange fluctuations, contributed to by the North America and Chinese markets which remained active, and increased sales of engines.

B. Operating Income: Operating income increased ¥2.4billion compared to the same period last year.

Ordinary income: Ordinary income increased ¥1.9billion compared to the same period last year.

- Operating income increased ¥2.4 billion to ¥2.5 billion due to increased gross income through increased

revenue and the effect of restructuring, which more than compensated factors to deteriorate profits, such as the negative effect of foreign exchange fluctuations to profitability, and a hike in the raw material price.

- Ordinary income increased ¥1.9 billion to ¥1.8 billion, in spite of the deterioration of non-operating income and loss of ¥0.5 billion mainly due to foreign exchange losses.

C. Quarterly Net Income: Net Income increased ¥2.3 billion compared to the same period last year.

- Quarterly net income increased ¥2.3 billion to ¥0.9 billion mostly contributed by the absence of special factors such as retirement allowances, which were incurred last year in the stage of income before tax, and reduced tax burdens.

## 2) Comparison with the plan

### A. Net sales

Sales decreased ¥0.8 billion due to the impact of sharp foreign exchange fluctuation to the overseas sales.

### B. Operating Income and Ordinary Income

- Operating income improved by ¥0.5 billion mainly due to improved selling, general and administrative expenses, which more than compensated for the decreased gross income of overseas sales.
- Ordinary income improved by ¥0.2 billion, in spite of the deterioration of non-operating income of ¥0.3 billion mainly due to generation of foreign exchange losses.

### C. Net income

- Quarterly net income improved ¥0.4 billion mostly due to increased ordinary income and improved extraordinary income and loss.

(Sales Breakdown)

				(Billions of yen)	
	3 <sup>rd</sup> Quarter	3 <sup>rd</sup> Quarter	Variance	3 <sup>rd</sup> Quarter	Variance
	Last Fiscal Year	This Fiscal Year		Plan	
Agricultural Machinery	46.7	<b>51.6</b>	4.9	51.6	—
Parts & Farming Implements	21.4	<b>22.9</b>	1.5	22.5	0.4
Construction of Facilities	2.8	<b>2.7</b>	(0.1)	2.8	(0.1)
Others	21.0	<b>20.3</b>	(0.7)	20.6	(0.3)
Domestic Sales Total	91.9	<b>97.5</b>	5.6	97.5	—
North America	3.3	<b>4.9</b>	1.6	4.9	—
Europe	7.0	<b>6.9</b>	(0.1)	7.0	(0.1)
Asia	1.4	<b>0.9</b>	(0.5)	1.4	(0.5)
China	1.1	<b>2.0</b>	0.9	2.0	—
Australia and others	0.3	<b>0.8</b>	0.5	0.8	—
Total Product Sales	13.1	<b>15.5</b>	2.4	16.1	(0.6)
Parts	0.8	<b>0.7</b>	(0.1)	0.7	—
Others	0.3	<b>0.9</b>	0.6	1.1	(0.2)
Overseas Sales Total	14.2	<b>17.1</b>	2.9	17.9	(0.8)
Total	106.1	<b>114.6</b>	8.5	115.4	(0.8)

## II. Performance forecast for the fiscal year ending March 31, 2009

The business performance forecast of the fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009) announced on November 13, 2008 will be revised as follows.

Forecast of annual business performances of the fiscal year ending March 31, 2009.

(Consolidated) (Billions of yen, % )

	Previous forecast	<b>Latest forecast</b>	Variance		Actual results from previous fiscal year	Variance from latest forecast
			Amount	%		
Net Sales	152.5	<b>150.0</b>	(2.5)	(1.6)	144.7	5.3
Operating Income	2.9	<b>1.5</b>	(1.4)	(48.3)	0.7	0.8
Ordinary Income	1.9	<b>0.2</b>	(1.7)	(89.5)	0.0	0.2
Net Income	0.8	<b>(0.6)</b>	(1.4)	—	(1.5)	0.9

(Non-consolidated) (Billions of yen, % )

	Previous forecast	<b>Latest forecast</b>	Variance		Actual results from previous fiscal year	Variance from latest forecast
			Amount	%		
Net Sales	92.0	<b>88.0</b>	(4.0)	(4.3)	85.0	3.0
Operating Income	0.2	<b>(1.0)</b>	(1.2)	—	(0.5)	(0.5)
Ordinary Income	0.9	<b>0.5</b>	(0.4)	(44.4)	(0.2)	0.7
Net Income	0.5	<b>0.0</b>	(0.5)	—	(1.4)	1.4

### C. Reasons for revision.

We have revised the consolidated and non-consolidated business performance forecast for the fiscal year ending March 31, 2009 announced on November 13, 2008 for the following reasons.

#### 1) Net sales (down ¥2.5 billion)

We expect net sales to be ¥150 billion in total as a result of a ¥1.5 billion reduction in domestic sales due to the impact of economic slowdown and a ¥1.0 billion reduction in overseas sales mainly due to sharply deteriorated orders received from Europe and Korea.

#### 2) Operating income (down ¥1.4 billion)

We expect a drop in operating income of ¥1.4 billion to ¥1.5 billion mainly due to the effect of reduced sales, and foreign exchange fluctuations. Our forecast of foreign exchange for the fourth quarter of the fiscal year is ¥89 against the US dollar and ¥117 against the Euro.