

February 12, 2010

ISEKI & CO., LTD.

Supplementary Information to the Nine Months of Financial Results

(April 1, 2009—December 31, 2009)

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	This	Amount	%	Quarter	Amount
	Fiscal Year	Fiscal Year			Plan	
Net Sales	114.6	<b>107.9</b>	(6.7)	(5.8)	107.9	—
Domestic	97.5	<b>96.3</b>	(1.2)	(1.2)	96.3	—
Overseas	17.1	<b>11.6</b>	(5.5)	(32.2)	11.6	—
Gross Profit on Sales	35.3	<b>35.7</b>	0.4	1.1	35.6	0.1
Gross Profit Margin	30.8%	<b>33.1%</b>	2.3%	—	33.0%	0.1%
Selling, General and Administrative Expenses	32.8	<b>31.3</b>	(1.5)	(4.6)	31.7	(0.4)
Operating Income	2.5	<b>4.4</b>	1.9	76.2	3.9	0.5
Balance of Financial Income	(0.9)	<b>(0.8)</b>	0.1	—	(0.9)	0.1
Other Non-operating Income	0.3	<b>0.3</b>	—	—	0.4	(0.1)
Ordinary Income	1.9	<b>3.9</b>	2.0	107.7	3.4	0.5
Extraordinary Gains	0.6		(0.6)	—		—
Extraordinary Losses	(0.7)	<b>(0.2)</b>	0.5	—	(0.1)	(0.1)
Income Before Income Taxes and Minority Interests	1.8	<b>3.7</b>	1.9	107.3	3.3	0.4
Income taxes	(0.8)	<b>(1.0)</b>	(0.2)	—	(0.9)	(0.1)
Net Income	1.0	<b>2.7</b>	1.7	178.7	2.4	0.3

1) Comparison with the same period of the previous year

A. Net Sales: Net sales for the third quarter FY2010 declined by ¥6.7 billion (down 5.8 %) compared to the same period last year.

- (Domestic) While there was anticipated demand before the raise of retail prices last year, sales of agricultural machinery declined by ¥4.0 billion this year due to inactive market trends from the effect of the sluggish economy coupled with restrained purchasing in order to confirm trends of the agricultural policy. Domestic sales as a whole declined ¥1.2 billion (down 1.2%) to ¥96.3 billion due to increased revenue of ¥3.8 billion from the construction of facilities, with smooth development of orders received/completion of construction centering on large size drying facilities.
- (Overseas) Chinese market remained solid with increased sales of ¥1.0 billion. However, overseas sales in total declined ¥5.5 billion (down 32.2%) to ¥11.6 billion, since sales in the other areas (North America,

Europe, Australia, etc.) declined ¥6.2 billion due to recession and a prolonged trend of strong yen.

B. Operating income: Operating income increased ¥1.9 billion (up 76.2%) compared to the same period last year.

Ordinary income: Ordinary income increased ¥2.0 billion (up 107.7%) compared to the same period last year.

- Operating income increased ¥1.9 billion to ¥4.4 billion mainly due to improved profitability by the raising of retail prices and the cost reduction effect of selling, general and administrative expenses, which more than compensated for reduced gross income from reduced revenue.
- Ordinary income increased ¥2.0 billion to ¥3.9 billion due to increased operating income.

C. Quarterly Net Income : Net Income increased ¥ 1.7 billion (up 178.7%) compared to the same period last year.

## 2) Comparison with the plan

### A. Net sales

- Both domestic and overseas sales were in line with planned figures.

### B. Operating Income, Ordinary Income, Net income

- Operating income and ordinary income increased ¥0.5 billion mainly due to reduced selling, general and administrative expenses, coupled with development cost compared with the plan.
- Quarterly net income increased ¥0.3 billion compared with the plan.

(Sales Breakdown)

	3 <sup>rd</sup> Quarter	3 <sup>rd</sup> Quarter	Variance	(Billions of yen)	
	Last	This		3 <sup>rd</sup> Quarter	Variance
	Fiscal Year	Fiscal Year		Plan	Amount
Agricultural Machinery	51.6	<b>47.6</b>	(4.0)	47.6	—
Parts & Farming Implements	22.9	<b>23.0</b>	0.1	23.0	—
Construction of Facilities	2.7	<b>6.5</b>	3.8	6.5	—
Others	20.3	<b>19.2</b>	(1.1)	19.2	—
Domestic Sales Total	97.5	<b>96.3</b>	(1.2)	96.3	—
North America	4.9	<b>2.4</b>	(2.5)	2.4	—
Europe	6.9	<b>3.8</b>	(3.1)	3.8	—
Asia	0.9	<b>0.9</b>	—	0.9	—
China	2.0	<b>3.0</b>	1.0	3.0	—
Australia and others	0.8	<b>0.2</b>	(0.6)	0.2	—
Total Product Sales	15.5	<b>10.3</b>	(5.2)	10.3	—
Parts	0.7	<b>0.7</b>	—	0.7	—
Others	0.9	<b>0.6</b>	(0.3)	0.6	—
Overseas Sales Total	17.1	<b>11.6</b>	(5.5)	11.6	—
Total	114.6	<b>107.9</b>	(6.7)	107.9	—

## II. Revision of performance forecast for the fiscal year ending March 31, 2010.

The business performance forecast for the fiscal year ending March 31, 2010 (April 1, 2009 – March 31, 2010) announced on November 12, 2009 has been revised as follows.

With respect to the non-consolidated business performance, there has been no change since the previous performance forecast.

### Forecasts of annual business performance for the fiscal year ending March 31, 2010.

	(Consolidated)		(Billions of yen, % )			
	Previous forecast	Latest forecast	Variance		Actual results from previous fiscal year	Variance Amount
			Amount	%		
Net Sales	150.0	<b>148.0</b>	(2.0)	(1.3)	149.6	(1.6)
Operating Income	3.3	<b>3.3</b>	—	—	1.6	1.7
Ordinary Income	2.1	<b>2.1</b>	—	—	0.8	1.3
Net Income	1.1	<b>1.1</b>	—	—	0.0	1.1

#### Reasons for revision.

##### 1) Net sales (down ¥2.0 billion)

Domestic sales are expected to be lower than the previous forecast by ¥2.0 billion, as the demand is likely to remain inactive, due to decreased extra-agricultural income by the effect of recession, and continued restrained purchasing in order to confirm trends of the agricultural policy, in spite of an expected boost of demand by supportive policy.

Overseas sales have not been changed as we expect the sales will be in line with the forecast in light of current trends of orders received.

##### 2) Operating and other incomes have not been changed

We have not changed the forecast as we expect reduced sales will be compensated by reduced fixed cost/expenses.

\* Foreign exchange rates: ¥90 against the US dollar and ¥130 against the Euro (Unchanged).

Reference	(Non-consolidated)		(Billions of yen, %)			
	Previous forecast	Latest forecast	Variance		Actual results from previous fiscal year	Variance Amount
			Amount	%		
Net Sales	91.0	<b>91.0</b>	—	—	90.3	0.7
Operating Income	0.7	<b>0.7</b>	—	—	(0.3)	1.0
Ordinary Income	0.7	<b>0.7</b>	—	—	1.6	(0.9)
Net Income	0.6	<b>0.6</b>	—	—	1.1	(0.5)