

**Supplementary Information to the Financial Results**  
**for the Fiscal Year Ended March 31, 2011**  
**(Apr. 1, 2010—Mar. 31, 2011)**

**I. Consolidated Business Results**

	FY2010	FY2011	Variance		(Billions of yen, %)	
			Amount	%	FY2011 Forecast	Variance Amount
Net Sales	149.3	<b>147.8</b>	(1.5)	(1.0)	147.5	0.3
Domestic	131.2	<b>128.7</b>	(2.5)	(1.9)	128.5	0.2
Overseas	18.1	<b>19.1</b>	1.0	5.9	19.0	0.1
Gross Profit on Sales	47.4	<b>46.2</b>	(1.2)	(2.5)	46.4	(0.2)
Gross Profit Margin	31.7%	<b>31.2%</b>	(0.5%)	—	31.5%	(0.3%)
Selling, General and Administrative Expenses	42.9	<b>43.4</b>	0.5	1.2	43.7	(0.3)
Operating Income	4.5	<b>2.8</b>	(1.7)	(37.9)	2.7	0.1
Balance of Financial Income	(1.0)	<b>(0.9)</b>	0.1	—	(0.9)	0.0
Other Non-operating Income	0.1	<b>0.1</b>	0.0	—	(0.1)	0.2
Ordinary Income	3.6	<b>2.0</b>	(1.6)	(45.2)	1.7	0.3
Extraordinary Gains	0.1	<b>0.1</b>	0.0	—	0.1	0
Extraordinary Losses	(1.0)	<b>(1.9)</b>	(0.9)	—	(0.5)	(1.4)
Income Before Income Taxes and Minority Interests	2.7	<b>0.2</b>	(2.5)	(92.6)	1.3	(1.1)
Income taxes	(0.4)	<b>(1.1)</b>	(0.7)	—	(1.1)	0.0
Net Income	2.3	<b>(0.9)</b>	(3.2)	(139.1)	0.2	(1.1)

1) Comparison with the previous fiscal year

A. Net Sales: Decreased ¥1.5 billion (down 1.0%) from the previous fiscal year to ¥147.8 billion.

- Domestic sales decreased ¥2.5 billion (down 1.9%) from the previous fiscal year to ¥128.7 billion. Domestic agricultural machinery market shifted inactive since last autumn mainly due to a fall in rice price, and sales of agricultural machinery decreased ¥1.0 billion. Sales of construction of facilities decreased by ¥2.4 billion due to reaction to concentrated completion of large drying facilities, etc. in the previous fiscal year. On the other hand, sales of farming implements/parts and other agriculture related business remained solid, and increased by ¥1.0 billion.
- Overseas sales increased ¥1.0 billion (up 5.9%) from the previous fiscal year to ¥19.1 billion. Sales for North America increased by ¥1.6 billion mainly helped by the recovery of orders received from our OEM partner due to its progress in an inventory adjustment. Sales for Europe increased by ¥0.3 billion. Meanwhile, sales for Asia decreased by ¥0.7 billion mainly due to reduced orders received from

Korea caused by the weaker won. Sales for China decreased by ¥0.2 billion as a whole due to the decreased sales of combine harvesters, while the sales of rice transplanters increased.

- B. Operating income: Decreased ¥1.7 billion (down 37.9%) from the previous fiscal year to ¥2.8 billion.  
Ordinary income: Decreased ¥1.6 billion (down 45.2%) from the previous fiscal year to ¥2.0 billion.
- Operating income decreased ¥1.7 billion to ¥2.8 billion due to deteriorated profitability by decreased gross income by decreased revenue, erosion of overseas sales by the weaker US\$/Euro, and increased cost of production and S.G.& A. expenses.
  - Ordinary income decreased ¥1.6 billion to ¥2.0 billion, while increased foreign exchange loss was compensated mainly by improved balance of financial income.
- C. Income before tax: Decreased ¥2.5 billion (down 92.6%) from the previous fiscal year to ¥0.2 billion.  
Net income: Decreased ¥3.2 billion (down 139.1%) from the previous fiscal year to -¥0.9 billion.
- Income before tax decreased ¥2.5 billion to ¥0.2 billion due to the impact amount of Accounting Standard for Assets Retirement Obligations (¥0.2 billion) along with incurred valuation loss on investment securities (¥0.6 billion), loss from the Great East Japan Earthquake (¥0.8 billion) etc., in spite of decreased impairment loss of real estate, etc. from the previous period.
  - Net income decreased ¥3.2 billion to -¥0.9 billion due to increased burden of ¥0.7 billion mainly caused by the impact of reversal of deferred tax asset.

## 2) Comparison with the plan

- A. Net sales: Increased ¥0.3 billion compared to the plan (Domestic +¥0.2 billion, Overseas +¥0.1 billion )
- Net sales slightly increased by ¥0.3 billion.
- B. Operating income: Increased ¥0.1 billion compared to the plan.  
Ordinary income: Increased ¥0.3 billion compared to the plan.
- Operating income increased ¥0.1 billion by cost reduction efforts, in spite of decreased gross profit on sales by deteriorated gross profit margin.
  - Ordinary income increased ¥0.3 billion mainly due to decreased foreign exchange loss by favorable turn of foreign exchange rate.
- C. Income before tax: Decreased ¥1.1 billion compared to the plan.  
Net income: Decreased ¥1.1 billion compared to the plan.
- Income before tax and net income decreased ¥1.1 billion mainly due to incurred valuation loss on investment securities ¥0.6 billion and loss of ¥0.8 billion from the Great East Japan Earthquake.

(Sales Breakdown)

	FY2010	FY2011	Variance	(Billions of yen)	
				FY2011 Forecast	Variance Amount
Agricultural Machinery	64.8	<b>63.8</b>	(1.0)	64.4	(0.6)
Parts & Farming Implements	30.4	<b>31.0</b>	0.6	31.0	0.0
Construction of Facilities	11.1	<b>8.7</b>	(2.4)	8.0	0.7
Other Agriculture Related	24.7	<b>25.1</b>	0.4	24.9	0.2
Agriculture Related business Total	131.0	<b>128.6</b>	(2.4)	128.3	0.3
Other business	0.2	<b>0.1</b>	(0.1)	0.2	(0.1)
Domestic Sales Total	131.2	<b>128.7</b>	(2.5)	128.5	0.2
North America	4.0	<b>5.6</b>	1.6	5.5	0.1
Europe	6.5	<b>6.8</b>	0.3	6.7	0.1
Asia	1.8	<b>1.1</b>	(0.7)	1.0	0.1
China	3.5	<b>3.3</b>	(0.2)	3.4	(0.1)
Australia and others	0.4	<b>0.4</b>	0.0	0.5	(0.1)
Product Sales Total	16.2	<b>17.2</b>	1.0	17.1	0.1
Repair Parts	1.1	<b>1.1</b>	0.0	1.0	0.1
Others	0.8	<b>0.8</b>	0.0	0.9	(0.1)
Overseas Sales Total	18.1	<b>19.1</b>	1.0	19.0	0.1
Total	149.3	<b>147.8</b>	(1.5)	147.5	0.3

## II. Performance forecast for the fiscal year ending March 31, 2012

(Point of view of performance forecast)

- The impact of the Great East Japan Earthquake on the Japanese domestic economy is immeasurable, and the uncertainty for future of Japan's economy has intensified. In the environment surrounding the domestic agriculture, we anticipate a declined investment mind in agricultural machinery due to salt damage and harmful rumors in the region that received damages from the Great East Japan Earthquake. On the other hand, as a nation, we expect the activation of agriculture mostly due to the full-fledged implementation of an individual farming household income compensation system from the current fiscal year as a measure to enhance food self-sufficiency rate.

Under the circumstances, we expect that demand for agricultural machinery during the current fiscal year will remain relatively weak as a whole, with the prospect that domestic agricultural machinery sales will be lower than the previous fiscal year.

- With respect to overseas sales, we expect increased sales from expanded sales of rice transplanters in the Chinese market.
- With respect to operating income and other incomes, while we anticipate pressure on the earnings from rise in material price, etc., we expect increased profit by cost reduction efforts and reduction of S.G & A expenses, we will secure surplus in the full year profit.

**Forecasts of annual business performances for the fiscal year ending March 31, 2012**

(Consolidated)

(Billions of yen, %)

	FY2011	FY2012 Forecast	Variance	
			Amount	%
Net Sales	147.8	<b>147.0</b>	(0.8)	(0.6)
Domestic	128.7	<b>127.0</b>	(1.7)	(1.3)
Overseas	19.1	<b>20.0</b>	0.9	4.6
Operating Income	2.8	<b>2.9</b>	0.1	3.4
Ordinary Income	2.0	<b>2.2</b>	0.2	9.7
Net Income	(0.9)	<b>0.9</b>	1.8	-

• Company forex rate: ¥80/US\$1, ¥120/Euro1