

## Supplementary Information to Consolidated Financial Results

(January 1, 2017 – September 30, 2017)

## I. Consolidated results of operations for the nine months ended September 30, 2017 (Billions of yen, %)

	3Q of FY ended December 31, 2016	3Q of FY ending December 31, 2017	Year-on-year change		FY ending December 31, 2017 forecast announced on August 10, 2017
			Amount	%	
Net sales	118.4	<b>120.5</b>	2.1	1.8	160.5
Domestic	91.9	<b>94.3</b>	2.4	2.6	124.3
Overseas	26.5	<b>26.2</b>	(0.3)	(1.2)	36.2
Gross profit	34.6	<b>36.0</b>	1.4	4.1	—
Gross profit margin	29.2%	<b>29.9%</b>	0.7%	—	—
Selling, general and administrative expenses	31.8	<b>31.4</b>	(0.4)	(1.5)	—
Operating income	2.8	<b>4.6</b>	1.8	67.6	4.0
Balance of financial income	(0.5)	<b>(0.5)</b>	0.0	—	—
Other non-operating income	(0.7)	<b>1.3</b>	2.0	—	—
Ordinary income	1.6	<b>5.4</b>	3.8	238.2	4.1
Extraordinary income	1.2	<b>0.1</b>	(1.1)	—	—
Extraordinary losses	(1.3)	<b>(0.6)</b>	0.7	—	—
Income before income taxes	1.5	<b>4.9</b>	3.4	227.9	4.3
Income taxes	(0.8)	<b>(1.6)</b>	(0.8)	—	—
Profit attributable to owners of parent	0.7	<b>3.3</b>	2.6	368.6	2.9

(Sales breakdown)				(Billions of yen)
	3Q of FY ended December 31, 2016	<b>3Q of FY ending December 31, 2017</b>	Year-on-year change	FY ending December 31, 2017 forecast announced on August 10, 2017
Agricultural machinery	43.0	<b>43.0</b>	0.0	57.3
Farming implements	14.9	<b>15.5</b>	0.6	20.1
Spare parts	10.9	<b>11.2</b>	0.3	14.7
Repair fees	3.9	<b>4.1</b>	0.2	5.4
Totals agricultural machinery related	72.7	<b>73.8</b>	1.1	97.5
Construction of facilities	4.3	<b>5.6</b>	1.3	6.8
Other agriculture-related business	14.9	<b>14.9</b>	0.0	20.0
<b>Domestic sales total</b>	<b>91.9</b>	<b>94.3</b>	<b>2.4</b>	<b>124.3</b>
North America	9.4	<b>6.0</b>	(3.4)	10.2
Europe	7.5	<b>8.5</b>	1.0	9.9
China	2.4	<b>3.0</b>	0.6	3.8
ASEAN	2.5	<b>3.3</b>	0.8	4.9
Others	1.6	<b>2.1</b>	0.5	2.6
<b>Product sales total</b>	<b>23.4</b>	<b>22.9</b>	<b>(0.5)</b>	<b>31.4</b>
Spare parts	1.5	<b>1.9</b>	0.4	2.7
Others	1.6	<b>1.4</b>	(0.2)	2.1
<b>Overseas sales total</b>	<b>26.5</b>	<b>26.2</b>	<b>(0.3)</b>	<b>36.2</b>
<b>Total net sales</b>	<b>118.4</b>	<b>120.5</b>	<b>2.1</b>	<b>160.5</b>

**(1) Net sales: a recovery trend in sales in Japan and slightly decreased sales overseas partly due to temporary factors**

- Net sales: ¥120.5 billion (up ¥2.1 billion (1.8%) year on year)
- Sales in Japan: ¥94.3 billion (up ¥2.4 billion (2.6%) year on year)  
Overall sales related to agricultural machinery increased by ¥1.1 billion thanks to continued favorable sales of tractors and increased sales of farming implements, parts and repair fees. Sales of construction of facilities increased by ¥1.3 billion.
- Sales overseas: ¥26.2 billion (down ¥0.3 billion (1.2%) year on year)  
Sales in North America decreased by ¥3.4 billion mainly due to partial changes in business terms with an OEM partner.  
Sales in Europe increased by ¥1.0 billion mainly due to the launch of new products and the effects of foreign exchange rates.  
Sales in China increased by ¥0.6 billion thanks mainly to increased shipments of semi-finished rice transplanters.  
Sales in ASEAN increased by ¥0.8 billion due to increased shipments of tractors and combine harvesters for Indonesia and Thailand.

**(2) Revenue: increased owing mainly to improvements in the revenue-expenditure structure in domestic direct dealers, a return to profitability in a production subsidiary in Indonesia, improved profitability in an equity-method affiliate in China, and ongoing cost reductions.**

- Operating income: ¥4.6 billion (up ¥1.8 billion (67.6%) year on year)
- Ordinary income: ¥5.4 billion (up ¥3.8 billion (238.2%) year on year)  
Operating income increased by ¥1.8 billion primarily as a result of improvements in the revenue-expenditure structure in domestic direct dealers and improved revenue in the Indonesian business.  
Ordinary income increased by ¥3.8 billion due to an upturn in the share of profit or loss of entities using equity method and a favorable turn in foreign exchange gains or losses, etc.
- Profit: ¥3.3 billion (up ¥2.6 billion (368.6%) year on year)  
Profit increased by ¥2.6 billion mainly due to the lack of gain on sales of investment securities and loss on disaster attributable to the Kumamoto Earthquake recorded in the same period of the previous fiscal year, as well as the facility contract penalty recorded and increased tax expenses for the period under review.

## II. Consolidated financial results forecast for the fiscal year ending December 31, 2017

- We have not revised the consolidated financial results forecast for the fiscal year ending December 31, 2017 and the dividend forecast (both announced on August 10, 2017).
- The breakdown of the net sales forecast has been revised in consideration of the actual financial results for the nine months ended September 30, 2017, the current trends of orders received, and other factors.

[Consolidated financial results forecast for the fiscal year ending December 31, 2017]

(January 1, 2017 through December 31, 2017)

(Billions of yen)

	FY ended December 31, 2016	Previous forecast for FY ending December 31, 2017 (announced on August 10, 2017)	<b>Latest forecast for FY ending December 31, 2017 (announced on November 13, 2017)</b>	Year-on-year change	Difference (previous/ latest)
Net sales	153.1	160.5	<b>160.5</b>	7.4	–
Domestic	121.0	124.3	<b>125.5</b>	4.5	1.2
Overseas	32.1	36.2	<b>35.0</b>	2.9	(1.2)
Operating income	2.5	4.0	<b>4.0</b>	1.5	–
Ordinary income	1.6	4.1	<b>4.1</b>	2.5	–
Profit attributable to owners of parent	0.9	2.9	<b>2.9</b>	2.0	–

\* The assumed foreign exchange rates for the fourth quarter are ¥112 per U.S. dollar and ¥128 per euro (both unchanged).

[Year-end dividend forecast for the fiscal year ending December 31, 2017]

We plan to pay the year-end dividends in the amount of ¥30.00 per share.