

Financial Results for the Fiscal Year Ended December 31, 2023
Investor Relations Presentation Materials

ISEKI & CO., LTD.

February 20, 2024

1. Outline of Financial Results for the Fiscal Year Ended December 31, 2023
2. Performance Forecast for the Fiscal Year Ending December 31, 2024
3. Domestic and Overseas Markets
4. Topics



Solution Provider

for Agriculture & Landscape

1. Outline of Financial Results for the Fiscal Year Ended December 31, 2023



<Financial Results for the FY Ended Dec. 2023>

Consolidated sales hit a record high. Sales increased and operating income decreased year on year. Overseas sales hit a record high for the third consecutive year. Year-end dividend: 30 yen per share

Domestic: Sales rose partially due to increases in maintenance revenues and construction of facilities

Overseas: Sales hit a record high. Sales increased mainly in Europe.

Earnings: Gross profit increased mainly due to the effect of price revisions, but operating income decreased due to higher SG&A expenses

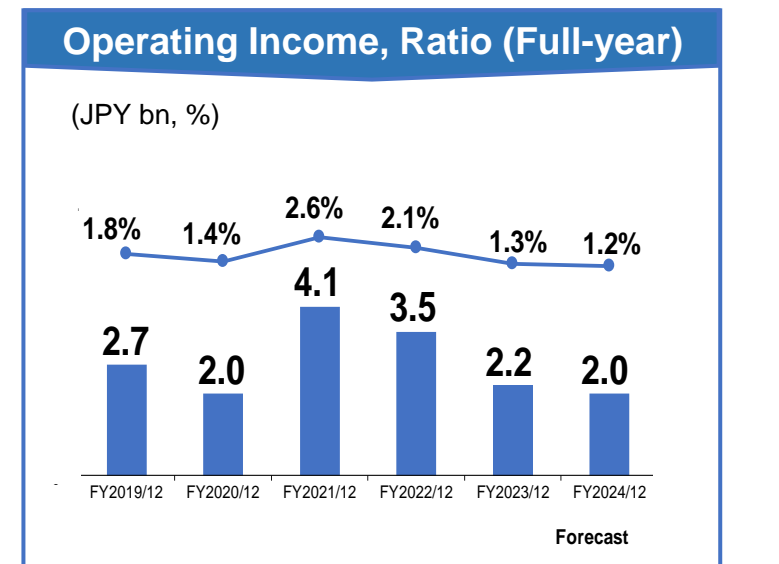
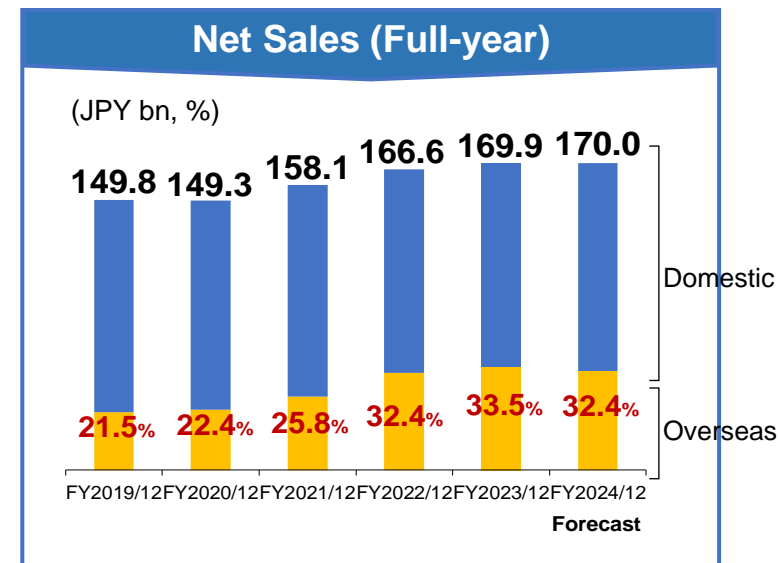
<Forecast for the FY Ending Dec. 2024>

Net sales will remain flat, and operating income will decrease

Year-end dividend: 30 yen per share

Net sales: Overseas, there will be temporary inventory adjustment in Korea, but it will be covered by an increase in domestic sales

Profits: Net sales will be almost flat, but operating income will decrease due to higher SG&A expenses



Outline of Consolidated Business Performance

(January 1, 2023 to December 31, 2023)

(JPY bn, %)

		FY2019/12	FY2020/12	FY2021/12	FY2022/12	FY2023/12	YoY Change	Diff. (Target /Actual)*
		Actual	Actual	Actual	Actual	Actual		
Net Sales		149.8	149.3	158.1	166.6	169.9	3.2	0.9
(Domestic)		117.7	115.9	117.3	112.6	113.0	0.4	(0.9)
(Overseas)		32.1	33.3	40.7	53.9	56.8	2.8	1.8
Gross Profit		44.5	43.4	46.8	49.8	50.3	0.4	
Gross Profit Margin		29.7%	29.1%	29.6%	29.9%	29.6%	(0.3)%	
Operating Income		2.7	2.0	4.1	3.5	2.2	(1.2)	(0.2)
Operating Margin		1.8%	1.4%	2.6%	2.1%	1.3%	(0.8)%	(0.2)%
Ordinary Income		1.1	1.7	4.6	3.7	2.0	(1.6)	(0.2)
Profit (Loss) Attributable to Owners of Parent		0.7	(5.6)	3.1	4.1	0.0	(4.0)	(0.4)
Average Exchange Rate (JPY)								
US\$		109.3	107.0	109.0	131.3	139.4	8.1	0.1
Euro		121.6	121.5	129.8	136.9	148.6	11.7	0.3

* Difference from the forecast announced on 14th November 2023

YoY
JPY0.4 billion
increase

Sales increased due to growth in maintenance revenues and construction of facilities, despite lower sales of agricultural machinery

(JPY bn)		FY2019/12	FY2020/12	FY2021/12	FY2022/12	FY2023/12	YoY Change	Diff. (Target /Actual)*
		Actual	Actual	Actual	Actual	Actual		
Agricultural Machinery Related	Agricultural Machinery							
	Cultivating & Mowing Machinery	25.3	22.8	23.9	22.9	22.0	(0.8)	
	Planting Machinery	9.0	8.8	9.0	7.9	7.2	(0.6)	
	Harvesting & Processing Machinery	18.5	16.8	16.6	16.0	15.7	(0.3)	
	Subtotal	53.0	48.6	49.6	46.9	45.0	(1.8)	(0.5)
Agricultural Machinery Related								
	Farming Implements	20.0	20.4	22.0	20.5	20.4	0.0	(0.4)
	Spare Parts	15.0	15.6	15.3	15.6	16.0	0.3	0.0
	Repair Fees	5.7	5.8	5.9	5.8	6.0	0.1	0.0
	Subtotal	40.8	42.0	43.3	42.0	42.5	0.4	(0.3)
	Total	93.8	90.6	93.0	88.9	87.5	(1.3)	(0.9)
	Construction of Facilities	4.5	6.1	4.2	4.3	5.5	1.1	0.0
	Others	19.3	19.1	20.1	19.3	19.9	0.6	0.0
	Total	117.7	115.9	117.3	112.6	113.0	0.4	(0.9)

Main factors of YoY changes

- ✓ Demand remained weak, and sales in agricultural machinery decreased
- ✓ Maintenance revenues (spare parts sales and repair fee revenues) grew, which are a pillar in reform of revenue and cost structure
- ✓ Construction of facilities increased due to large-scale construction

* Difference from the forecast announced on 14th November 2023

YoY
JPY2.8 billion
increase

Sales hit a record high for the third consecutive year. Sales increased mainly in Europe.

(JPY bn)	FY2019/12 Actual	FY2020/12 Actual	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	YoY Change	Diff. (Target /Actual)*
North America	13.2	12.8	15.1	19.5	14.2	(5.2)	0.2
Europe	12.8	13.9	15.9	25.1	33.2	8.1	1.2
Asia	5.5	6.2	9.1	8.6	8.1	(0.4)	0.3
Others	0.5	0.3	0.5	0.6	1.1	0.4	0.0
Total sales	32.1	33.3	40.7	53.9	56.8	2.8	1.8
Overseas sales ratio	21.5%	22.4%	25.8%	32.4%	33.5%	1.1%	1.0%

Main factors of YoY changes

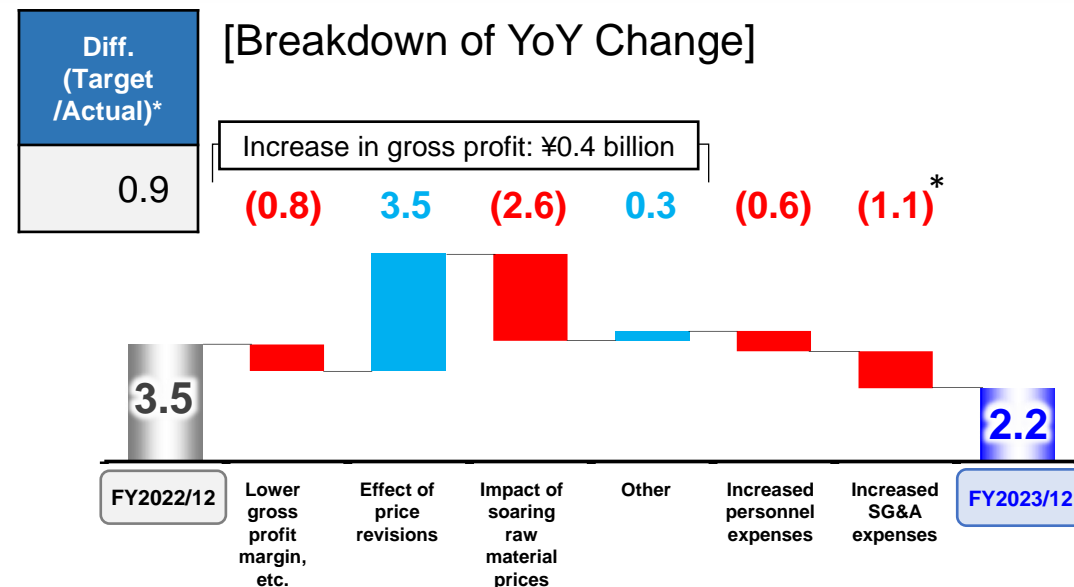
- ✓ **North America:** Adjustment phase continued in compact tractors market, which led to decreased sales
- ✓ **Europe:** Sales increased due to firm demand from retailers even after the price hikes, as well as ISEKI Germany becoming a consolidated subsidiary in the second half of the previous fiscal year
- ✓ **Asia:** Sales decreased due to failure to cover a decline in shipments for Korea mainly because of falling rice prices, despite higher shipments of parts for production to China

* Difference from the forecast announced on 14th November 2023

YoY
JPY1.2 billion
decrease

Operating income declined due to reduced gross profit margin and higher SG&A expenses

(JPY bn, %)	FY2019/12 Actual	FY2020/12 Actual	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	YoY Change
Net Sales	149.8	149.3	158.1	166.6	169.9	3.2
Gross Profit	44.5	43.4	46.8	49.8	50.3	0.4
Gross Profit Margin	29.7%	29.1%	29.6%	29.9%	29.6%	(0.3)%
SG&A Expenses	41.7	41.3	42.6	46.3	48.1	1.7
Personnel Expenses	24.6	25.1	25.2	26.4	27.8	1.4
Other Expenses	17.0	16.2	17.4	19.9	20.2	0.2
Operating Income	2.7	2.0	4.1	3.5	2.2	(1.2)
Operating Margin	1.8%	1.4%	2.6%	2.1%	1.3%	(0.8)%



[Effect of FOREX Fluctuations (JPY bn)]

	Net Sales	Cost of Sales	SG&A Expenses	Operating Income
(JPY bn)	3.1	(2.2)	(0.6)	0.3
(%)				(0.2)%

* Difference from the forecast announced on 14th November 2023

Ordinary Income & Profit

Ordinary income
YoY
JPY1.6 billion
decrease

Ordinary income: Financial expenses rose due to increased interest-bearing liabilities, despite an increase in foreign exchange gains.

Income before income taxes: Absence of extraordinary items in the same period of the previous year (The impact of ISEKI Germany becoming a consolidated subsidiary; a gain on change in equity related to a Chinese associate accounted for using the equity method; and impairment losses)

	FY2019/12 Actual	FY2020/12 Actual	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	YoY Change
Operating Income	2.7	2.0	4.1	3.5	2.2	(1.2)
Balance of Financial Income	(0.7)	(0.6)	(0.6)	(0.7)	(1.4)	(0.7)
Other Non-operating Income	(0.8)	0.3	1.1	0.9	1.3	0.3
Ordinary Income	1.1	1.7	4.6	3.7	2.0	(1.6)
Extraordinary Income	0.5	0.6	0.0	3.3	0.0	(3.3)
Extraordinary Losses	(0.3)	(9.4)	(0.4)	(1.9)	(0.2)	1.6
Income Before Income Taxes	1.3	(7.1)	4.3	5.2	1.9	(3.3)
Income Taxes - Deferred	(0.5)	1.4	(1.1)	(1.1)	(1.8)	(0.7)
Profit (loss) Attributable to Owners of Parent	0.7	(5.6)	3.1	4.1	0.0	(4.0)

Diff. (Target /Actual)*
(0.2)

[Main Components of Other Non-operating Income]

(JPY bn)	FY2022/12 Actual	FY2023/12 Actual
Foreign exchange gains	0.6	0.9
Share of loss of entities accounted for using equity method	(0.5)	(0.5)

(0.2)

[Main Components of Extraordinary Income/Losses]

(JPY bn)	FY2022/12 Actual	FY2023/12 Actual
Impact of ISEKI Germany becoming a consolidated subsidiary	0.7	-
Gain on change in equity (Dongfeng ISEKI in China)	2.5	-
Impairment loss	(1.7)	0.0

(0.4)

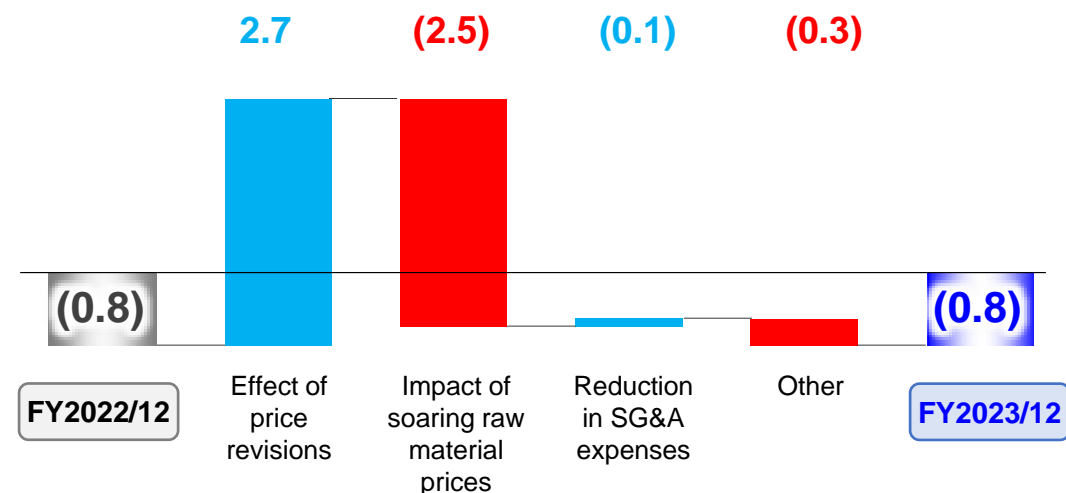
* Difference from the forecast announced on 14th November 2023

Operating
income YoY
JPY0.0 billion
change

Operating income was at the same level as in the previous year partly due to price revisions, despite the continued impact of soaring raw material prices

(JPY bn, %)	FY2019/12 Actual	FY2020/12 Actual	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	YoY Change
Net Sales	90.0	79.2	91.7	97.4	97.0	(0.3)
Domestic	61.7	53.9	59.8	58.0	60.3	2.2
Overseas	28.2	25.2	31.9	39.3	36.7	(2.6)
Gross Profit	12.4	9.4	12.1	11.7	11.6	(0.1)
Gross Profit Margin	13.8%	11.9%	13.3%	12.0%	12.0%	0.0%
SG&A Expenses	11.4	10.7	11.3	12.5	12.4	(0.1)
Operating Income	0.9	(1.3)	0.8	(0.8)	(0.8)	0.0
Ordinary Income	2.2	(0.2)	3.8	1.2	1.1	(0.1)
Profit	1.5	(13.2)	2.9	(0.1)	0.9	1.0

[Breakdown of YoY Change]



YoY Change

Inventories increased due to lower sales of domestic agricultural machinery, as well as a build-up of inventories for Europe that were at a low level

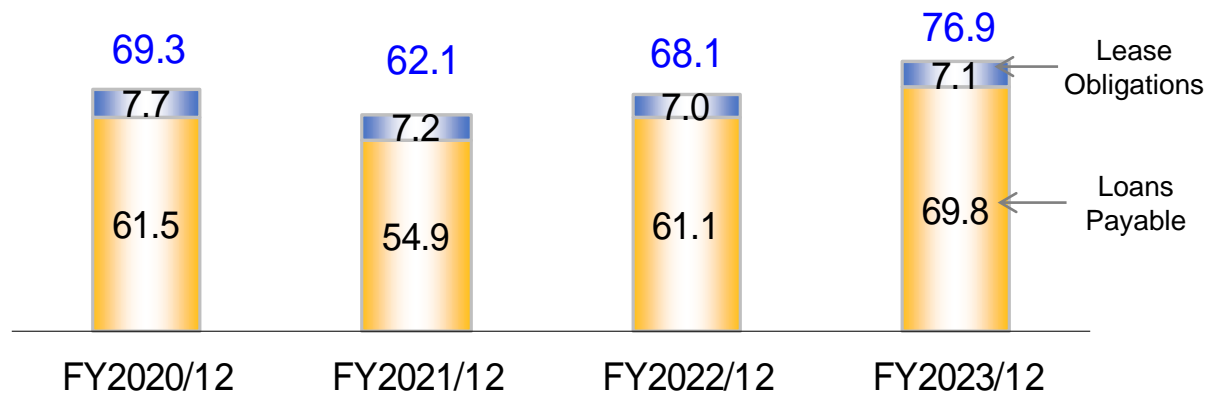
(JPY bn)	As of Dec. 31, 2022	As of Dec. 31, 2023	YoY Change		As of Dec. 31, 2022	As of Dec. 31, 2023	YoY Change
Cash & Deposits	10.7	9.9	(0.8)	Accounts Payable – Trade	45.4	41.7	(3.7)
Accounts Receivable – Trade	27.5	26.9	(0.6)	Interest-bearing Liabilities	68.1	76.9	8.7
Inventories	65.3	72.8	7.5	(Loans Payable)	61.1	69.8	8.7
(Merchandise & Finished Goods)	53.5	62.0	8.5	Other Liabilities	20.4	24.2	3.7
(Work in Progress)	10.3	9.1	(1.2)				
Other Current Assets	5.7	5.6	0.0				
Total Current Assets	109.4	115.3	5.9	Total Liabilities	134.1	142.8	8.7
Property, Plant and Equipment	83.9	84.5	0.6	Net Assets	72.3	74.2	1.8
Intangible Assets	2.3	2.4	0.1	(Retained Earnings)	21.1	20.4	(0.6)
Investments and Other Assets	10.8	14.7	3.8				
Total Non-current Assets	97.0	101.7	4.7				
Total Assets	206.4	217.1	10.6	Total Liabilities and Net Assets	206.4	217.1	10.6

Interest-bearing liabilities, equity, dividend

Interest-bearing liabilities increased in line with the increase in inventories
Year-end dividend to be 30 yen per share

1. Interest-bearing liabilities & Equity

Balance of Interest-bearing Liabilities (JPY bn)



D/E Ratio	1.1	0.9	0.9	1.0
Equity Ratio	32.4%	34.5%	32.9%	31.9%
Interest-bearing Liabilities (JPY bn)	69.3	62.1	68.1	76.9
Net Assets (JPY bn)	62.4	66.5	72.3	74.2

2. Dividend

(JPY)

	FY2022/12 Actual	FY2023/12 Plan
Year-end Dividend	30	30

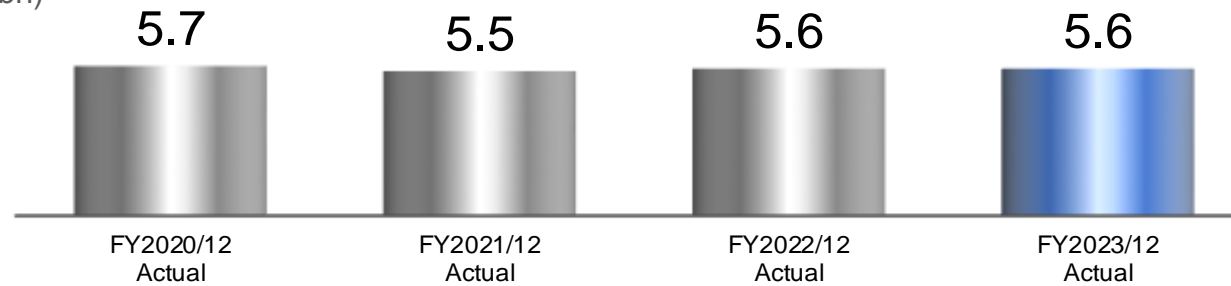
Capital investment

Made investment in growth, including development of sales offices and investment in improving productivity

1. Capital investment

*Property, plant and equipment and intangible assets after delivery

(JPY bn)



(Breakdown)

(JPY bn)	FY2022/12	FY2023/12
Sales offices	2.4	1.6
New models, increasing productivity	1.1	1.6
Information technology	0.7	0.5
Other	1.4	1.9
Total	5.6	5.6

2. Depreciation, Research & Development Expenses

(JPY bn)	FY2022/12 Actual	FY2023/12 Actual
Depreciation	6.10	5.62
Research & development expenses	1.61	1.39

Cash flows

Cash flows from operating activities were ¥(2.4) billion due to an increase in inventories

(JPY bn)	FY2019/12 Actual	FY2020/12 Actual	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	YoY Change
Cash flows from operating activities	10.5	9.6	14.2	(3.3)	(2.4)	0.9
Profit before income taxes	1.3	(7.1)	4.3	5.2	1.9	(3.3)
Depreciation	6.8	6.9	6.5	6.1	5.6	(0.4)
Impairment loss, gain on bargain purchase, loss (gain) on step acquisitions, loss (gain) on change in equity	0.1	8.6	0.1	(1.5)	0.0	(1.5)
Decrease (increase) in trade receivables	3.5	(1.8)	0.4	(5.1)	1.2	6.3
Decrease (increase) in inventories	(0.7)	3.2	2.4	(11.4)	(6.3)	5.0
Increase (decrease) in trade payables	(1.8)	(0.8)	2.1	5.4	(4.5)	(9.9)
Cash flows from investing activities	(7.1)	(5.1)	(2.0)	(2.9)	(5.4)	(2.4)
Purchase of property, plant and equipment and intangible assets	(8.3)	(6.6)	(4.6)	(4.8)	(5.7)	(0.9)
Free Cash Flow	3.4	4.5	12.1	(6.3)	(7.8)	(1.5)
Cash flows from financing activities	(2.3)	(2.1)	(8.3)	2.0	6.7	4.6
Net increase (decrease) in cash and cash equivalents	0.9	2.3	4.0	(4.1)	(0.8)	3.2

2. Performance Forecast for the Fiscal Year Ending December 31, 2024



Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2024

Consolidated
Financial Results
Forecasts

Net sales will be almost flat, but operating income will decrease due to higher SG&A expenses. Year-end dividend: 30 yen per share

(JPY bn, %)		FY2019/12	FY2020/12	FY2021/12	FY2022/12		FY2023/12		FY2024/12		YoY Change
		Actual	Actual	Actual	Actual	%	Actual	%	Forecast	%	
Net Sales		149.8	149.3	158.1	166.6	100.0	169.9	100.0	170.0	100.0	0.0
(Domestic)		117.7	115.9	117.3	112.6	67.6	113.0	66.5	115.0	67.6	1.9
(Overseas)		32.1	33.3	40.7	53.9	32.4	56.8	33.5	55.0	32.4	(1.8)
Operating Income		2.7	2.0	4.1	3.5	2.1	2.2	1.3	2.0	1.2	(0.2)
Ordinary Income		1.1	1.7	4.6	3.7	2.3	2.0	1.2	1.0	0.6	(1.0)
Profit (loss) Attributable to Owners of Parent		0.7	(5.6)	3.1	4.1	2.5	0.0	0.0	0.4	0.2	0.3
Average Exchange Rate (JPY)	US\$	109.3	107.0	109.0	131.3		139.4		140.0		0.6
	Euro	121.6	121.5	129.8	136.9		148.6		150.0		1.4
Year-end Dividend (JPY)		30	0	30	30		30		30		—

Domestic Sales Forecast

Domestic Sales

Sales are expected to increase due to higher sales of large-sized machinery, the effect of introducing new products, and the effect of price revisions

(JPY bn)		FY2019/12	FY2020/12	FY2021/12	FY2022/12	FY2023/12	FY2024/12	YoY Change
		Actual	Actual	Actual	Actual	Actual	Forecast	
Agricultural Machinery Related	Agricultural Machinery	53.0	48.6	49.6	46.9	45.0	46.0	0.9
	Farming Implements	20.0	20.4	22.0	20.5	20.4	21.0	0.5
	Spare Parts	15.0	15.6	15.3	15.6	16.0	16.4	0.3
	Repair Fees	5.7	5.8	5.9	5.8	6.0	6.3	0.2
	Subtotal	40.8	42.0	43.3	42.0	42.5	43.7	1.1
	Total	93.8	90.6	93.0	88.9	87.5	89.7	2.1
	Construction of Facilities	4.5	6.1	4.2	4.3	5.5	5.3	(0.2)
	Others	19.3	19.1	20.1	19.3	19.9	20.0	0.0
	Total	117.7	115.9	117.3	112.6	113.0	115.0	1.9

Overseas Sales Forecast

Overseas Sales

Sales in North America will increase primarily due to the effect of price increase and promotion measures and sales in Europe will remain strong, but in Asia, there will be temporary inventory adjustment at Korean local agents; sales as a whole are expected to decrease

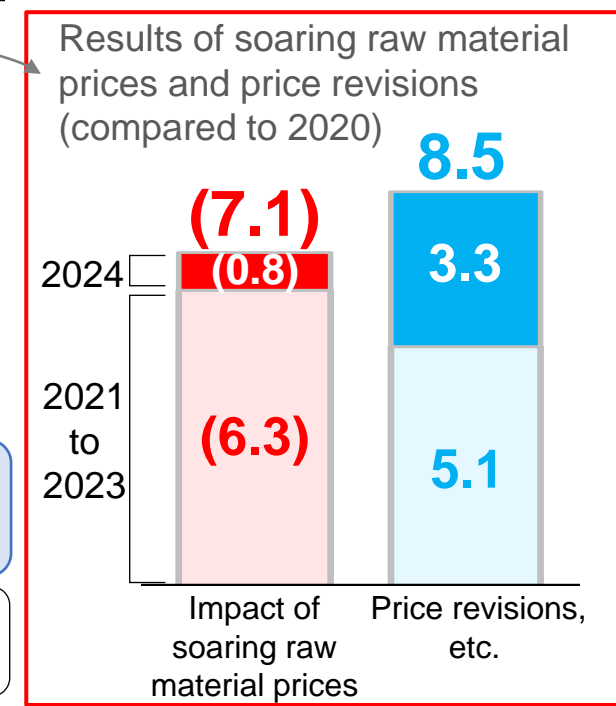
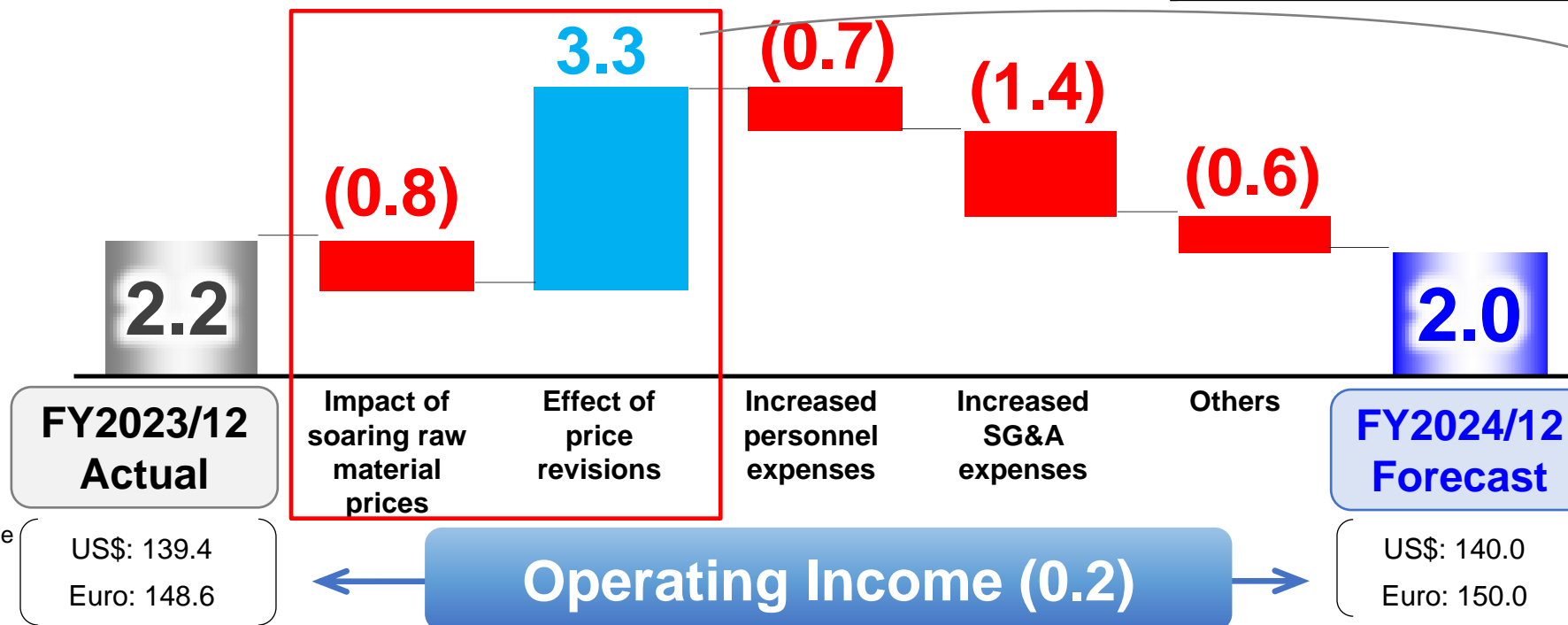
(JPY bn, %)	FY2019/12	FY2020/12	FY2021/12	FY2022/12	FY2023/12	FY2024/12	YoY Change
	Actual	Actual	Actual	Actual	Actual	Forecast	
North America	13.2	12.8	15.1	19.5	14.2	16.0	1.7
Europe	12.8	13.9	15.9	25.1	33.2	32.0	(1.2)
Asia	5.5	6.2	9.1	8.6	8.1	6.4	(1.7)
Others	0.5	0.3	0.5	0.6	1.1	0.6	(0.5)
Total Sales	32.1	33.3	40.7	53.9	56.8	55.0	(1.8)
Overseas sales ratio	21.5%	22.4%	25.8%	32.4%	33.5%	32.4%	(0.9)%

Main Factors for Changes in Operating Income Forecast

YoY
JPY(0.2) billion

Gross profit will increase due to the effect of price revisions, but operating income is expected to decrease due to higher SG&A expenses

(JPY bn, %)	FY2022/12		FY2023/12		FY2024/12		YoY Change	
	Actual	%	Actual	%	Actual	%	Actual	%
Operating Income	3.5	2.1	2.2	1.3	2.0	1.2	(0.2)	(0.1)%

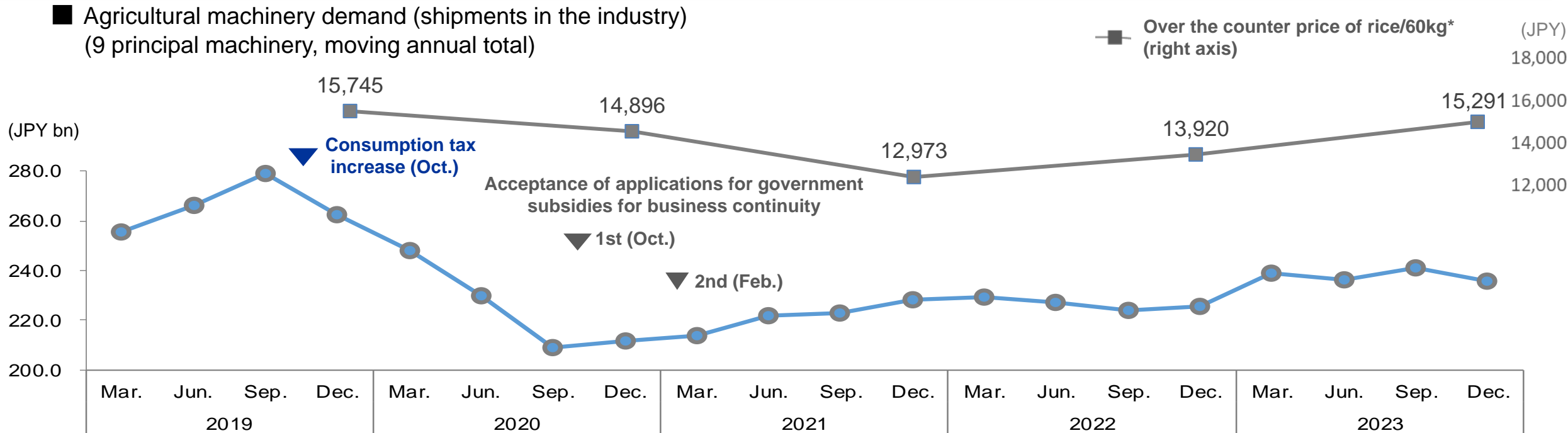


3. Domestic and Overseas Markets



Domestic Agricultural Machinery Demand

Price revisions carried out by respective companies in the first half of 2023 prompted the last-minute demand, which boosted the entire demand; however, demand remained weak



*9 principal machinery: Tractors, combine harvesters, rice transplanters, tillers, drying machines, rice huskers, binders, harvesters, treatment

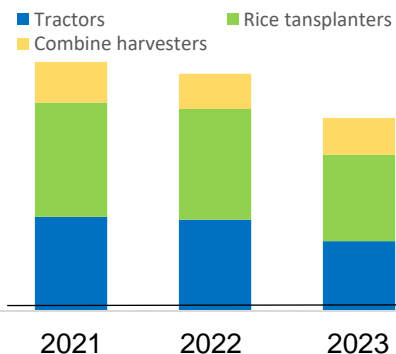
Source: Estimated by ISEKI from statistics provided by the Japan Agricultural Machinery Manufacturers Association

*Over the counter price of rice: The Ministry of Agriculture, Forestry and Fisheries conducts monthly surveys among suppliers of a certain size or larger regarding over the counter prices and volumes and publishes the results as one of the major indices of rice trading prices.

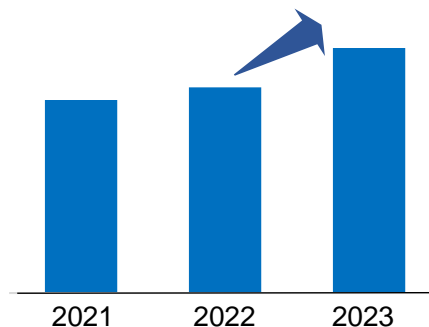
Key Products

- ✓ Sales of the large-size "All Japan series" declined partly due to the impact of supply chain disruptions on production. Production began to recover from the second half of 2023, and we will aim for recovery in 2024
- ✓ Sales of smart agricultural machinery grew 20%, led by the tractors and combine harvesters with straight-travel assistance specs
- ✓ Sales of the new mid-sized tractor "BF series" have been brisk since its release in July 2023

■ All Japan series performance (number of units)



■ Smart agricultural machinery performance (amount)



Major plans in 2024

- ✓ Sales expansion of large products and new products
- ✓ As for smart agricultural machinery, new tractors and rice transplanters will be released in this spring. We will aim to expand sales by stepping up demonstrations.
- ✓ Strengthen the promotion of environmentally-friendly smart agriculture
 - Variable fertilizer rice transplanter, etc. (also effective in fertilizer reduction)
 - Aigamo-Robo (towards increasing the areas of organic agriculture)
- For the map data-linked variable fertilizer rice transplanter, strengthening coordination with JA ZEN-NOH
- First full model change in ten years for the mid-sized class in the high-volume segment



BF series mid-sized tractor



Map data-linked variable fertilizer rice transplanter

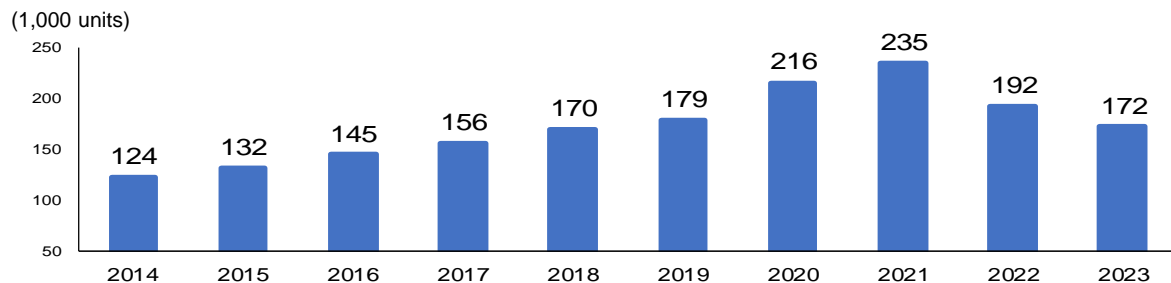
Overseas Market Trends by Region

	Fiscal year ended December 31, 2023 (YoY change)	Fiscal year ending December 31, 2024 (forecast)
North America	<ul style="list-style-type: none"> The compact tractor market remained in an adjustment phase Our sales declined as AGCO saw a decrease in unit sales and adjusted their stocks 	<ul style="list-style-type: none"> Our forecast assumes that the market will be slightly weaker than in fiscal 2023 Implementation of active sales promotion in cooperation with AGCO
Europe	<ul style="list-style-type: none"> The landscaping market remained weak as the economy was in a contraction phase Our sales were higher than the previous fiscal year due to the effect of price increases, the recovery of delays in product supply, and ISEKI Germany becoming a consolidated subsidiary in the second half of the previous fiscal year 	<ul style="list-style-type: none"> Worries about softening demand due to a recession and cuts in the central and local government budgets Try to make sure that strong performance will continue, by enhancing sales and services mainly through subsidiaries in Europe and expanding the sales of consumer products
Asia	ASEAN <ul style="list-style-type: none"> In Thailand, there was a reluctance to buy due to bad weather such as a drought, which affected the markets for both paddy fields and dry fields Sales decreased year on year due to the sluggishness of the market, despite the restructuring of a sales network, including exploration of new outlets by IST 	<ul style="list-style-type: none"> Our forecast assumes that market recovery will be limited as a drought is expected to continue Try to recover sales by restructuring sales networks and enhancing corporate sales
	East Asia <ul style="list-style-type: none"> Demand in Korea shrank in response to soaring material prices and sluggish rice prices. Our sales also declined In China, demand shrank due to emission standards and a shortage of subsidies, despite strong sales of riding type rice transplanters. Sales of Dongfeng ISEKI declined year on year due to a delay in selling. 	<ul style="list-style-type: none"> Our forecast assumes that the market environment in Korea will continue to be tough. Try to recover sales by adjusting inventories temporarily at local distributors and implementing sales support measures For China, we assume that the decline in response to the implementation of emission standards will bottom out and that the market for riding-type rice transplanters will remain strong. Try to expand the sales of new products and high-performance products

North America

1. Compact tractors market

<Market trends>



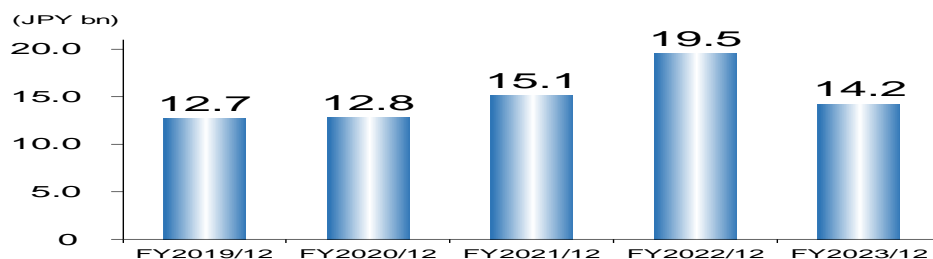
(Source: Statistics provided by AEM)

- Jan.-Dec. 2023: YoY -11%

2. Situation of AGCO (OEM partner)

- Unit sales (Jan.-Dec. 2023) YoY -10%

3. Status at ISEKI ■ Consolidated net sales (from the Company to AGCO)



Europe

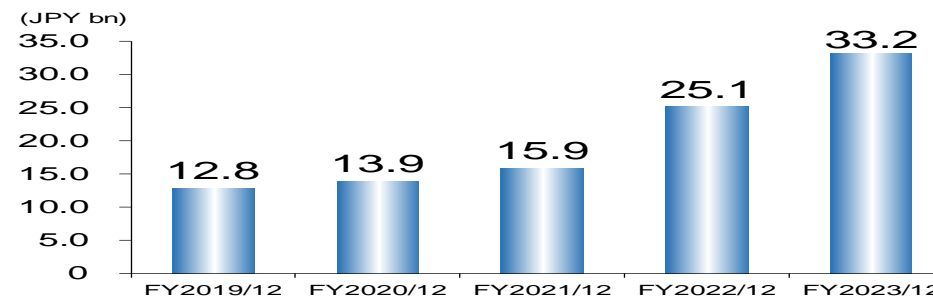
1. Market trends

- In the market of landscaping for professionals, while distribution inventory levels are becoming optimized throughout the industry, demand is on a weak trend mainly due to abnormal weather in the first half of the fiscal year

2. Local sales

- Unit sales (Jan.-Dec. 2023)
 - Local distributors: YoY -7%
- ✓ ISEKI France S.A.S. set a new high in sales as in the previous fiscal year due to the effect of price increases, the recovery of delays in product supply, and sales expansion of consumer products

3. Status at ISEKI ■ Consolidated net sales: Europe



Asia (ASEAN, East Asia)

1. Market trends

<ASEAN>

- Thailand: There was a reluctance to buy due to bad weather such as a drought, despite rises in rice and sugar cane prices
- Indonesia: Government tenders increased year on year

<EAST Asia>

- Korea: Although demand for machinery for dry fields has been on the rise due to support for crop conversion, the market has shrunk from the previous year due to sluggish rice prices and other factors
- China: The market for all-purpose combine harvesters and tractors shrank due to emission standards and a shortage of subsidies. The transplanter market was strong because of the promotion of seedling culture and cultivation in the southern part.

■ China: Market Trend by Product Type (YoY Change in Units)

	Jan.-Dec. 2021	Jan.-Dec. 2022	Jan.-Dec. 2023
Rice Transplanters (riding)	126%	93%	119%
Combine Harvesters (all-purpose, auto-threshing)	120%	91%	63%
Tractors (medium- to large-sized)	104%	120%	83%

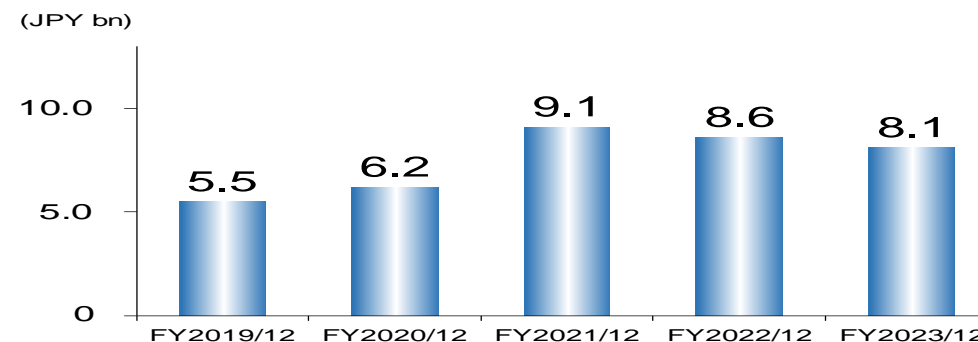
2. Local sales

➤ Unit sales (Jan.-Dec. 2023)

- Thailand IST (tractor): YoY -35%
- China (Dongfeng ISEKI):
Rice transplanters (riding): YoY -13%;
Tractors, combine harvesters: YoY +3%

3. Status at ISEKI

■ Consolidated net sales: Asia (ASEAN/East Asia)



4. Topics

■ Business tie-up with Faeger Co., Ltd.

Announced in December 2023

- ✓ Contributing to greenhouse gas reduction through our commitment to the J-Credit Scheme



■ Partnership agreement with Minamitane Town and Kagoshima Organic Farmer's Association

Announced in December 2023

- ✓ Promoting environmentally friendly agriculture using smart technologies

Number of tie-ups with local governments, private companies, etc.: **11**



Creation of Value Through Coordination with Local Governments, Private Companies, Etc.

■ Verification testing with the National Agriculture and Food Research Organization, YUKIMAI DESIGN CO., LTD. and the Tokyo University of Agriculture and Technology

Announced in January 2024

- ✓ Tested the effect of weed suppression by Aigamo-Robo, an automatic weed suppression robot for paddy fields → Effective as an anti-weed tool that helps reduce the labor of weeding and secure the yields of paddy rice



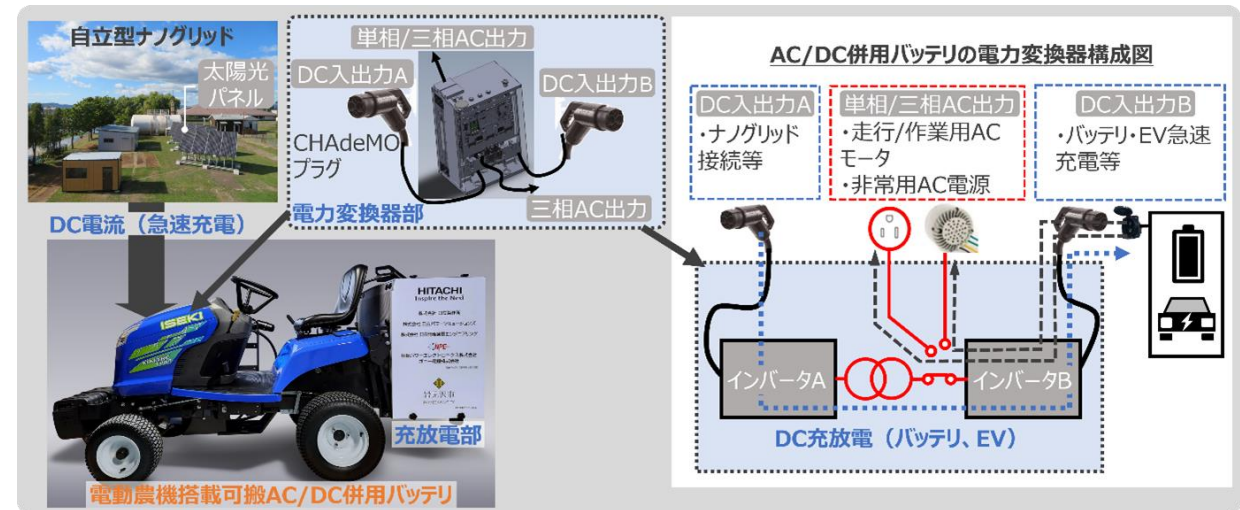
Aigamo-Robo operating in a paddy field

Comparison with conventional organic cultivation	Number of mechanical weeding: Decreased by an average of 58% Average yield of paddy rice: Increased by 10%
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■ Verification testing started with Hitachi, Ltd. and Iwamizawa City

Announced in January 2024

- ✓ Verification testing for local consumption of locally produced energy through battery cycles



- The objective of this presentation document is to provide information and never intends to induce any action.
- The document was created by ISEKI with currently available information and it involves potential risks and uncertainties. The forecast may not be consistent with actual results depending on fluctuation of the economic situation and market trends.
- In using this information, investors are expected to depend on their own judgment. ISEKI is not liable for any losses incurred by investment decision made utilizing the business forecast or targets given in this document.



未来の
ために、
いま選ぼう。

ISEKI Group joins the nationwide action called “COOL CHOICE” run by the Ministry of the Environment Government of Japan, which promotes to make “smart choices” for the global warming. As a proposal of “smart choices”, we develop and deliver environmental-friendly products like “eco products”.

食から日本を考える。

**NIPPON
FOOD
SHIFT**