



Financial Results for the Fiscal Year Ended March 2011 Investor Relations Presentation Materials

ISEKI & CO., LTD.

Seichiro Gamo, President

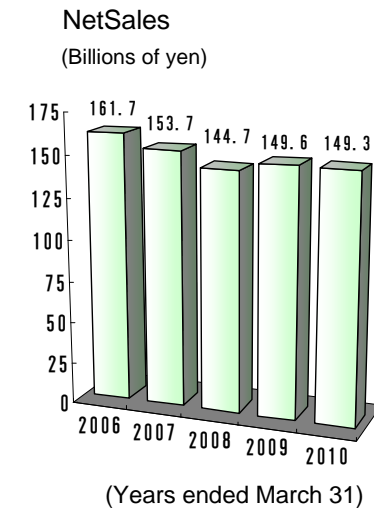
May 20, 2011



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1. Outline of Financial Results for the Fiscal Year Ended March, 2011



Outline of Business Performance

(JPY bn, %)

	09/Mar.	10/Mar.		11/Mar.		Change	11/Mar. Forecast	Change
			%		%			
Net Sales	149.6	149.3	100.0	147.8	100.0	(1.5)	147.5	0.3
(Domestic)	126.5	131.2	87.9	128.7	87.1	(2.5)	128.5	0.2
(Overseas)	23.1	18.1	12.1	19.1	12.9	1.0	19.0	0.1
Gross Profit	45.9	47.4	31.7	46.2	31.2	(1.2)	46.4	(0.2)
S. G. & A. Expenses	44.3	42.9	28.7	43.4	29.3	0.5	43.7	(0.3)
Operating Income	1.6	4.5	3.0	2.8	1.9	(1.7)	2.7	0.1
Ordinary Income	0.8	3.6	2.4	2.0	1.4	(1.6)	1.7	0.3
Net Income	0	2.3	1.6	(0.9)	(0.6)	(3.2)	0.2	(1.1)

- Actual average forex rate for FY 11/Mar.: 1 US =¥86, 1 Euro=¥112

Breakdown of Domestic Sales

(JPY bn)

		09/Mar.	10/Mar.	11/Mar.	Change	Note	11/Mar. Forecast	
Agriculture Related Business	Agricultural Machinery	Cultivating & Mowing Machinery	27.5	27.7	26.7	(1.0)	Tractors: (0.4) High-clearance Multipurpose Vehicle: (0.5)	26.8
		Planting Machinery	13.3	11.4	11.6	0.2	Rice transplanters: +0.2	11.7
		Harvesting & Processing Machinery	26.3	25.7	25.5	(0.2)	Combine harvesters: +0.3 Drying machine: (0.4)	25.9
		Total	67.1	64.8	63.8	(1.0)		64.4
	Parts & Farming Implements	29.50	30.4	31.0	0.6	Farming Implements : +0.4 Parts: +0.2	31.0	
	Construction of Facilities	4.0	11.1	8.7	(2.4)		8.0	
	Other Agriculture Related	25.2	24.7	25.1	0.4		24.9	
	Total	125.8	131.0	128.6	(2.4)		128.3	
	Other Business Total	0.7	0.2	0.1	(0.1)		0.2	
	Total	126.5	131.2	128.7	(2.5)		128.5	

Breakdown of Overseas Sales

(JPY bn)

	09/Mar.	10/Mar.	11/Mar.	Change	Notes	11/Mar. Forecast	Change
North America	6.5	4.0	5.6	1.6	Tractors: +1.4 Mow ers: +0.2	5.5	0.1
Europe	9.4	6.5	6.8	0.3	Tractors: +1.1 Mow ers: (0.8)	6.7	0.1
Asia	2.3	1.8	1.1	(0.7)	Tractors: (0.3) Rice transplanters: (0.4)	1.0	0.1
China*	1.9	3.5	3.3	(0.2)	Combine harvesters: (0.7) Rice transplanters: +0.4 Others: +0.1	3.4	(0.1)
Oceania	0.9	0.4	0.4	0		0.5	(0.1)
Products Total	21.0	16.2	17.2	1.0		17.1	0.1
Parts & Others	2.1	1.9	1.9	0		1.9	0
Total	23.1	18.1	19.1	1.0		19.0	0.1

* Sales in China are actual results (Jan. – Dec.)

Operating Income

(JPY bn, %)

	09/Mar.	10/Mar.		11/Mar.		Change	11/Mar. Forecast	Change
			%		%			
Net Sales	149.6	149.3	100.0	147.8	100.0	(1.5)	147.5	0.3
Cost of G. S.	103.7	101.9	68.3	101.6	68.8	(0.3)	101.1	0.5
Gross Profit	45.9	47.4	31.7	46.2	31.2	(1.2)	46.4	(0.2)
S. G. & A. Expenses	44.3	42.9	28.7	43.4	29.3	0.5	43.7	(0.3)
Operating Income	1.6	4.5	3.0	2.8	1.9	(1.7)	2.7	0.1

* Factors of YoY change

- Decreased gross income by decreased revenue : (0.3)
- Deteriorated gross margin rate -0.5% (Forex sales rate gap (0.7), increased manufacturing costs (personel expenses, etc.) (0.2)) : (0.9)
- Increased S.G. & A expenses (personnel expenses +0.4, overseas distribution cost +0.3, other expenses (0.2)) : (0.5)

Ordinary Income and Net Income

(JPY bn)

	09/Mar.	10/Mar.	11/Mar.	Change	11/Mar. Forecast	Change
Operating Income	1.6	4.5	2.8	(1.7)	2.7	0.1
Net Financial Income	(1.1)	(1.0)	(0.9)	0.1	(0.9)	0
Other Non-operating Income	0.3	0.1	0.1	0	(0.1)	0.2
Ordinary Income	0.8	3.6	2.0	(1.6)	1.7	0.3
Extraordinary Gains	0.6	0.1	0.1	0	0.1	0
Extraordinary Losses	(0.9)	(1.0)	(1.9)	(0.9)	(0.5)	(1.4)
Income before Income Taxes	0.5	2.7	0.2	(2.5)	1.3	(1.1)
Taxes, Deferred Taxes	(0.5)	(0.4)	(1.1)	(0.7)	(1.1)	0
Net Income	0	2.3	(0.9)	(3.2)	0.2	(1.1)

* Factors of YoY change

[Non-operating income]	Foreign exchange evaluation losses:	(0.2)
	Net financial income+0.1, Other income (scrap income, etc.) +0.2:	+0.3
[Extraordinary losses]	Disaster loss (ISEKI (0.5), Iseki-Tohoku (0.2), Others (0.1))	(0.8)
	Valuation loss on investment securities:	(0.6)
	Adoption of accounting standard for asset retirement obligations:	(0.2)
[Taxes, deferred taxes]	Impact of reversal of deferred tax asset, etc. (impact of earthquake (0.4))	(0.7)

Damage to the ISEKI Group by the Great East Japan Earthquake and Measures

○ Details of major damages to ISEKI Group

	Base		Detail
ISEKI & CO., LTD.	Tohoku Parts Center	Iwanuma City, Miyagi Pref.	Submersion of inventory assets, facility in the premise
Iseki-Tohoku Co., Ltd.	Head office	Iwanuma City, Miyagi Pref.	Submersion of inventory assets, vehicles
	Coin rice polisher work shop	Kesenuma City, Miyagi Pref.	Washing out/submersion of buildings, machines, coin rice polishers
	Fukushima Branch	Koriyama City	Damage to building
	Sales offices, Fukushima Branch	Tomioka, Odaka, Hara machi	Evacuation area of nuclear plant
Iseki-Kanto Co., Ltd.	Sales offices	Fusa, Chiba Pref., etc.	Soil liquefaction, etc.

- Efforts for reconstruction
 - FY11/Mar. Disaster damage
 - FY12/Mar. Reconstruction support expense
 - Confirmation of damage condition, machine behavior by visiting all customers
 - Raising/fitting of submerged/inundated products, sorting/clearance of parts warehouse, etc.
 - Impact on production
 - No damage to buildings, facilities, etc. of production bases
 - Impact on operation
 - Obligated change of operation hours by the scheduled black-out.
 - Delayed production by shortage of procured parts.
 - Response to limited electricity supply during Jul. ~ Sep.
- Appropriated ¥0.8 billion
 Expected ¥0.4 billion
- Reopened operation except offices in the evacuation area
- No impact on shipping
 Continue to monitor degree of progress
 Respond by review of work shift, etc.

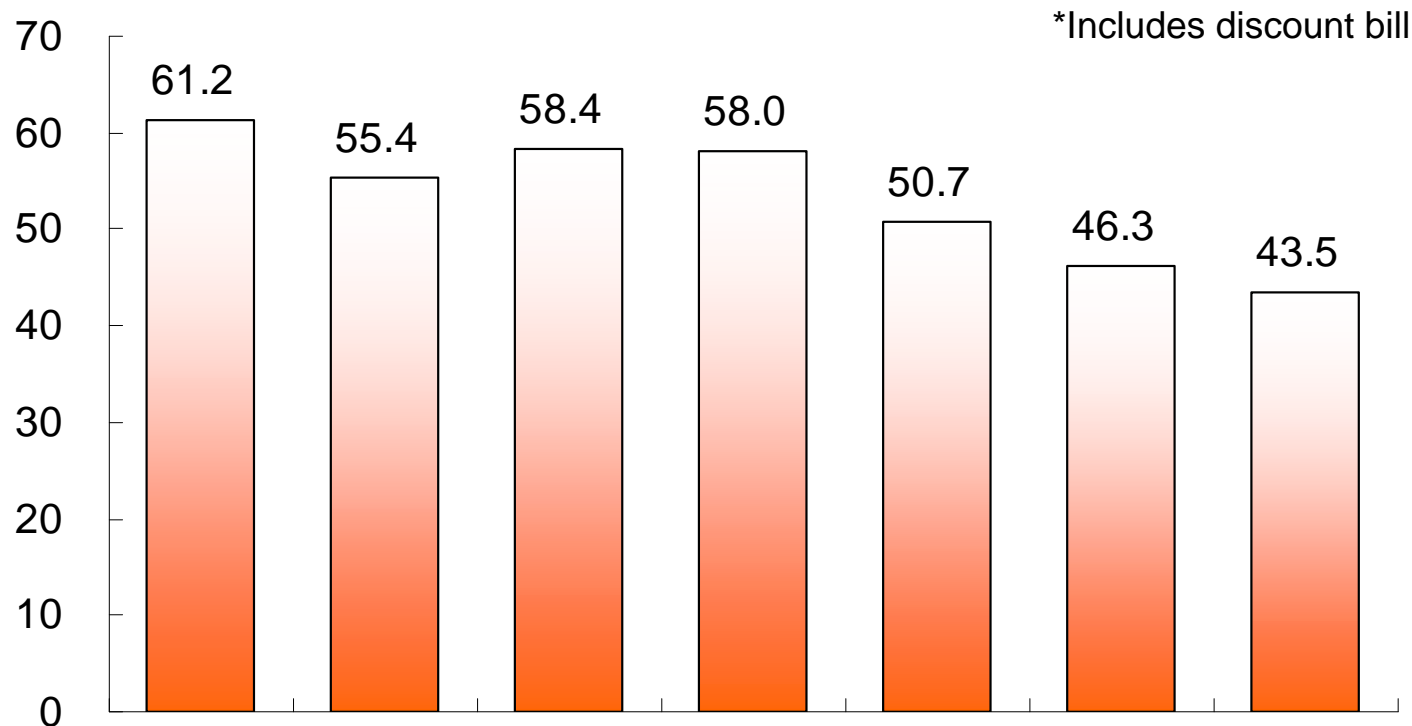
Balance Sheet

(JPY bn)

Item	09/Mar.	10/Mar.	11/Mar.	Change from 10/Mar.
Cash/Deposits	5.7	6.7	5.7	(1.0)
Accounts Receivables	28.7	29.3	28.7	(0.6)
Inventories	42.0	41.5	41.0	(0.5)
(Product Inventory)	27.3	27.5	27.8	0.3
Other Current Assets	4.2	3.2	3.3	0.1
Noncurrent Assets	90.4	90.3	90.5	0.2
Total Assets	171.0	171.0	169.2	(1.8)
Accounts Payables	43.8	41.8	42.0	0.2
Debts/Borrowings	50.7	46.2	43.5	(2.7)
Other Liabilities	24.8	27.4	29.1	1.7
(Total Liabilities)	119.3	115.4	114.6	(0.8)
Net Assets	51.7	55.6	54.6	(1.0)
(Retained Earnings)	4.1	6.1	5.2	(0.9)
Total Liabilities and Net Assets	171.0	171.0	169.2	(1.8)

Balance of Interest Bearing Liabilities and Financial Indices

(JPY bn) Trend of balance of interest bearing liabilities



	05/Mar.	06/Mar	07/Mar	08/Mar	09/Mar.	10/Mar	11/Mar	
D/E Ratio	1.20	0.98	1.05	1.10	0.98	0.83	0.80	(Time)
Equity Ratio	27.1	30.5	29.8	29.4	29.4	31.6	31.4	(%)

* D/E Ratio= Interest bearing liabilities/Net assets

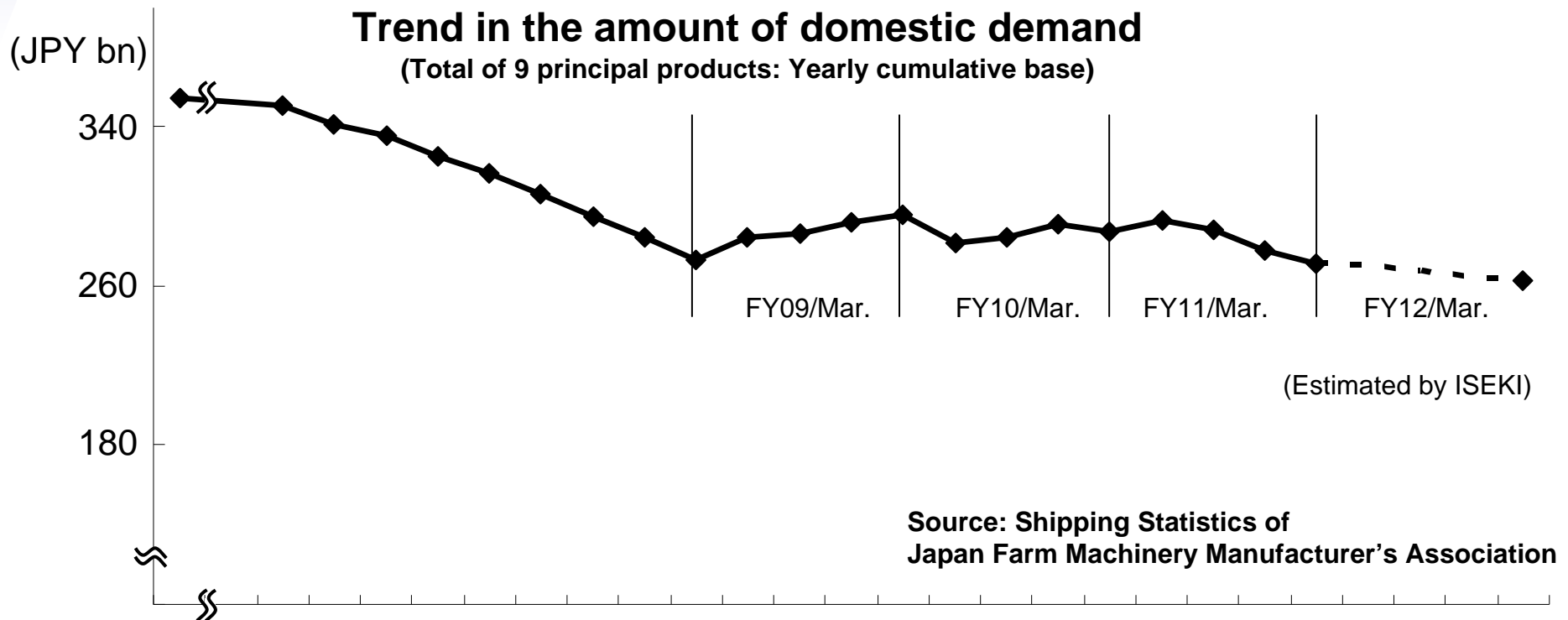
2. Recent Development in Domestic and Overseas Markets



Japan HJ6120

Trends of Domestic Demand for Agricultural Machinery

Trend of Demand for Agricultural Machinery (Forecast)



- FY11/Mar. While the market followed a gradual recovery pattern due to model countermeasures of individual farming household income compensation system, it has remained inactive since last autumn due to a fall in rice price, reaction to emergency machinery- leasing support program in the previous year, impact of the Great East Japan Earthquake, etc.
- FY12/Mar. While we expect the activation of agriculture mostly due to the full-fledged implementation of individual farming household income compensation system, we expect it will remain relatively weak due to the impact from the Great East Japan Earthquake.

Trends in Domestic Agricultural Machinery Market



Trends in domestic agricultural machinery industry shipment and effective sales of ISEKI

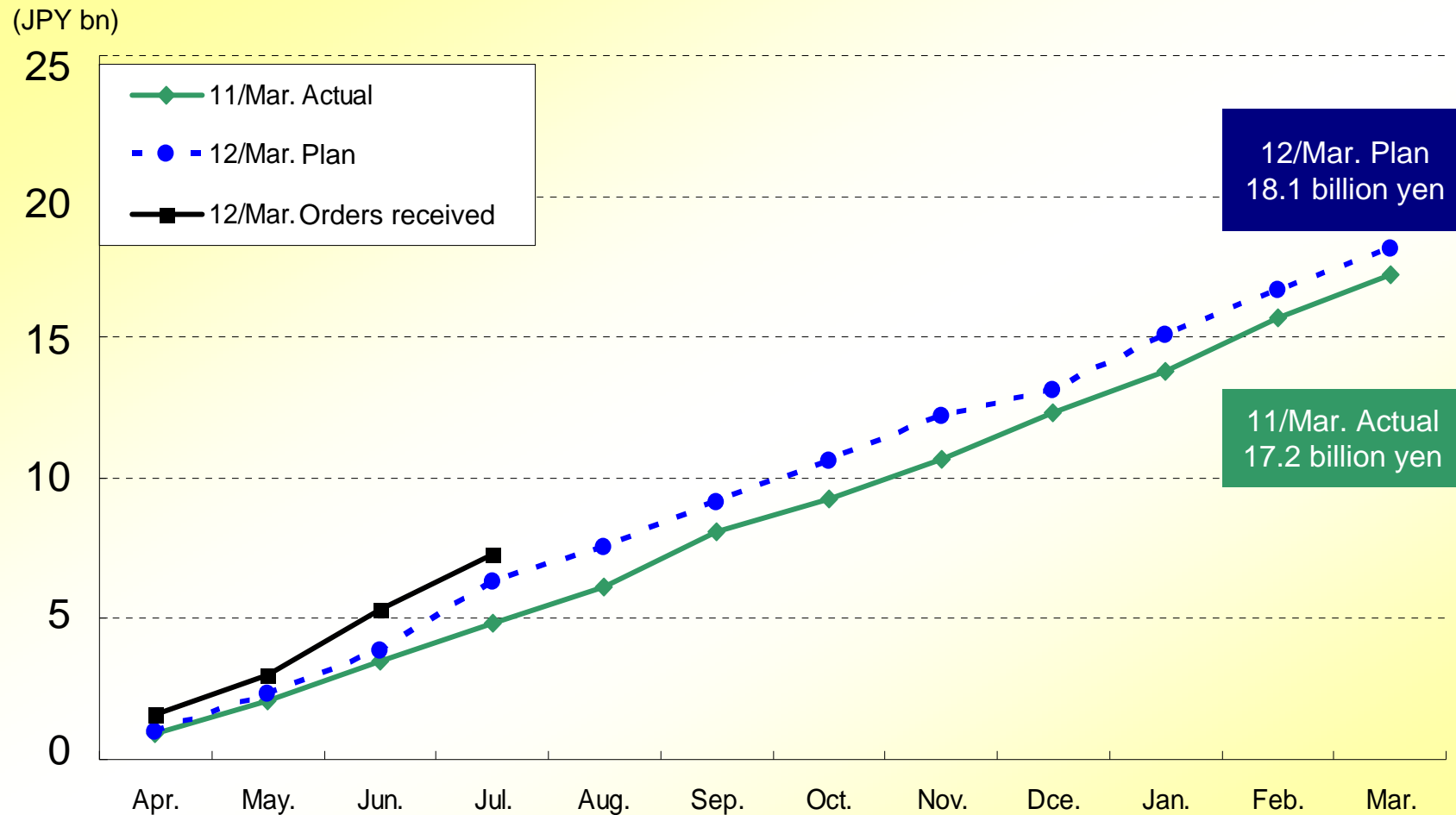
* Total amount of 9 products base, Y o Y growth rate (%)

* Source: Shipping statistics of Japan Farm Machinery Manufacturer's Association

	08/Apr. - 09/Mar.	09/Apr. -10/Mar.	10/Apr. - 11/Mar.
Industry (shipment)	108	97	95
ISEKI (Effective sales)	107	97	96

*Industry shipping 2010/Oct.-Dec. -18% Impact of rice price
 2011/ Jan.-Mar. -8% Reaction to leasing support program, Impact of earth quake

Recent Trend of Overseas Product Sales



* 12/Mar. Orders received: Apr. is based on result of shipping, May.- Jul. is based on orders received.

Trend in North American Market and ISEKI's Strategy

1. Compact Tractor Market in North America

* Tractors with 50PS engines (PTO40PS) or less, and lawn mowers are not included

	09/ Jan.- Dec.	10/ Jan.- Dec.	YOY change	10/ Jan. - Apr.	11/ Jan. - Apr.	YOY change
USA	79.7	84.0	105.4%	26.2	25.8	98.5%
Canada	10.8	10.7	98.9%	2.6	2.6	103.0%
N. America Tot	90.5	94.7	104.6%	28.8	28.5	99.0%

(Unit:1000)

* Figures have been rounded and non-adjusted

- The demand forecast for 2011 by AEM indicates a slight increase of 2.7% YOY.

Source: AEM (Association of Equipment Manufacturers)

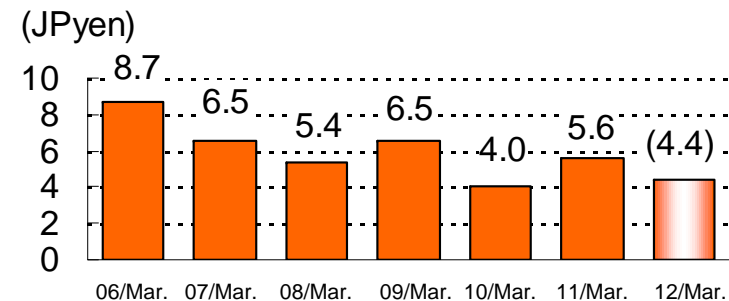
2. Trend in ISEKI's Sales and Strategy

- Effective sales of the OEM partner for Jan.-Apr. was in line with the market trend, and remained weak.
- ISEKI's sales on the received order base for Apr.-Jul. (shipping for Apr.) remained solid, exceeding the same period of the previous year.



Respond properly to attain sales, by watching carefully condition of market recovery and trend of local effective sales.

Trends of ISEKI's product sales for North America



Trends in European Markets and ISEKI's Strategy

1. Trends in European Market

- Within the EU zone, the economy has recovered gradually in Germany and France since second half of 2010 ,albeit differences between areas, which was reflected in the market trend.
- In Southern Europe, the economic situation remains unstable. There is a prospect of uncertainties in countries like Greece and Portugal.

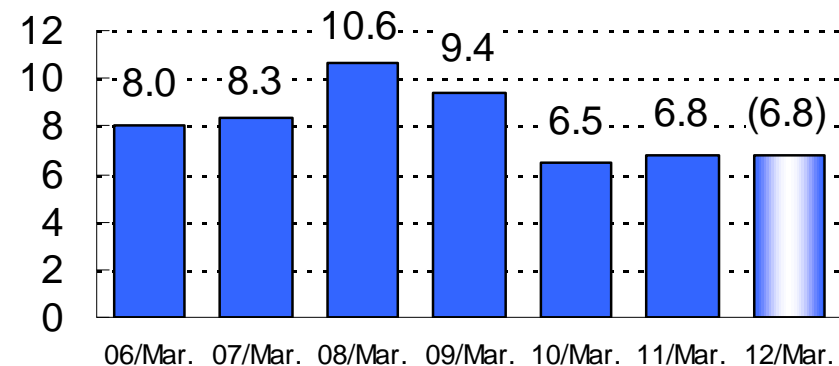
2. Trends in ISEKI's Sales and Strategy

- Effective sales by European agents for Jan.~Mar. underperformed from the previous year, but showed a gradual pattern of recovery.
- ISEKI's shipping in the preceding period increased modestly from the previous year. Immediate orders received have remained solid as well.



We will leverage sales by the introduction of high performing products to the landscaping market.

(JPY bn) Trends of ISEKI'S Product Sales for Europe



Trends in Asia Markets and ISEKI's Strategy

1. Trends in Asian Market

Korea : The market environment is difficult due to weak won.

South East Asia : The speed of mechanization has been moderated.

2. Trends in ISEKI's Sales and Strategy

[Korea]

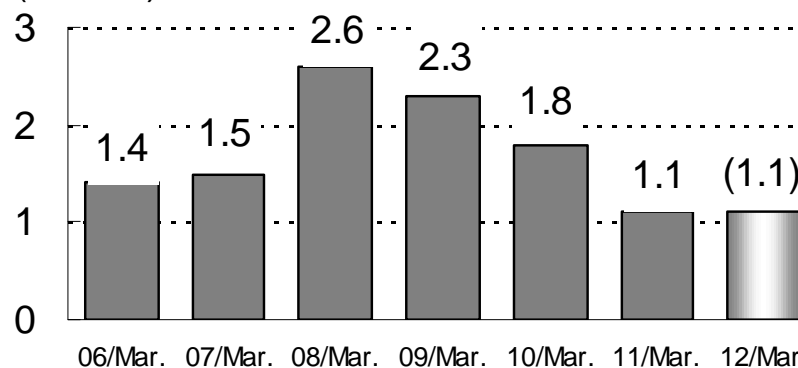
- Both effective sales by agents and ISEKI's shipping declined substantially in the preceding period.

[South East Asia]

- Both effective sales and shipping remained low in the preceding period.



(JPY bn) Trends of ISEKI'S Product Sales for Asia



Korea: Maintain sales by rice farming machinery of our technological advantage.

South East Asia: The steady promotion of activities like continuous technical guidance.

Trends in Chinese Market and ISEKI's Strategy

1. Trends in Chinese Market

[State of subsidy for agricultural machinery]

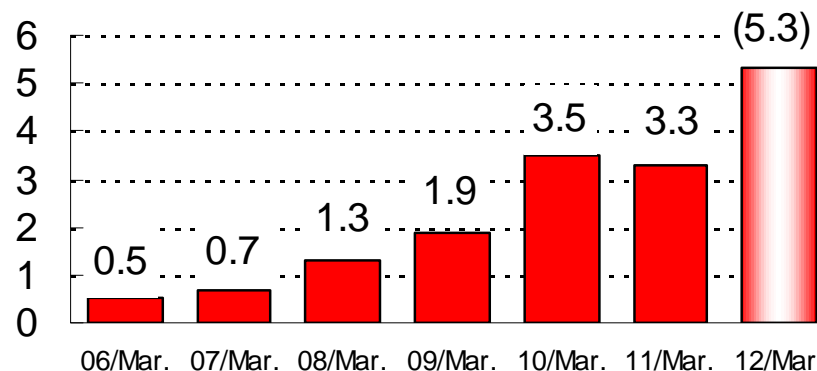
(100 millions of yuan)

2007	2008	2009	2010	2011
20	40	130	155	175

The subsidy is expected to be allocated according to emphasized crops (rapeseed, cotton, corn, sugar cane, etc.), transplanting machinery, mechanization ratio, model districts, policies, etc.

2. Trends in ISEKI's Sales and Strategy (JPY bn) Trends of ISEKI'S Product Sales for China

- Sales of ISEKI-CHANGZHOU MFG. CO., LTD. declined slightly in the preceding period due to reduced sales of combine harvesters, albeit the increased sales of rice transplanters.
- Sales of rice transplanters in Jan.~Apr. was more than double Y 0 Y.



ISEKI-CHANGZHOU: To promote sales expansion and brand diffusion through the introduction of products that meet the market needs, in addition to the sales expansion of rice transplanters.

Joint Venture: Pursue early establishment of production/sales systems.

State of Dongfeng Iseki Agricultural Machinery (Hubei) Co., Ltd.

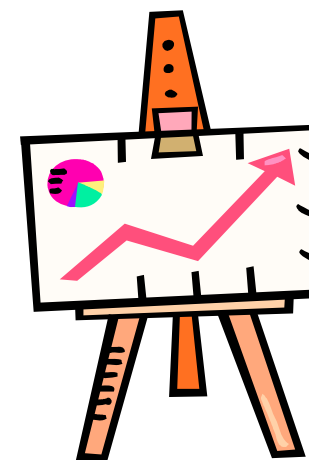
1. State to date and schedule

December 2010	Conclusion of a joint business agreement/setting up of preparatory office for establishment of Dongfeng Iseki Agricultural Machinery (Hubei) Co., Ltd. (1) Assembly of walking rice transplanters, 200 units for spring 2011. (2) Preparation of mass production for spring 2012 .
~ Early July 2011	Establish a joint company, and move in to the new plant in Xiang Yang City, Huben Province.
October 2011 ~	Scheduled to start production of approx. 7,000 units of walking rice transplanters for next season.

2. Schedule

	2010 Dec.	2011 Mar. Jun. Sep.	2012 Dec. Mar.
Joint business agreement	▼		
Study on division of production/business partners		■	
Procurement of local parts		■	
Local assembly			
Verification testing			
Move in to the new plant			▽ Early July
Preparation for mass production			▽
Mass production			3,000 units 4,000 units
			Total production 7,000 units

3. Performance Forecast for the Fiscal Year Ending March 2012



Agricultural Damages by the Great East Japan Earthquake

1. Damages by Earthquake and Tsunami

State of agriculture/forestry/fisheries related damages (Extract)

As of May 5

Main damage	Total number of damage (number of sites)	Amount of damage (100 million yen)
Damaged agricultural land	2,062	3,755
Damaged agricultural facilities	10,546	3,051
Sub-total	12,608	6,807
Agricultural crops and livestock, etc.		116
Agricultural/livestock production facilities		370
Sub-total		485
Total		7,292

Estimated area of agricultural land that received damages of wash out/submersion by Tsunami

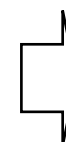
(ha)

	Cultivated area (2010)	Damaged area	
			%
Aomori Pref.	156,800	79	0.1%
Iwate Pref.	153,900	1,838	1.2%
Miyagi Pref.	136,300	15,002	11.0%
Fukushima Pref.	149,900	5,923	4.0%
Ibaraki Pref.	175,200	531	0.3%
Chiba Pref.	128,800	227	0.2%
Total	900,900	23,600	2.6%

The impact on rice production in Miyagi, Fukushima (2011 production rice)

(Tons)

	Production quota	Given-up rice production		Seeded area conversion
Miyagi Pref.	367,950	10,600	3%	2,000 ha Equivalent
Fukushima Pref.	363,680	35,000	10%	6,500 ha Equivalent
Total	731,630	45,600	6%	8,500 ha Equivalent



27,000 tons
Assumption by inter-prefectural adjustment (12 prefectures)

Source: Ministry of Agriculture, Forestry and Fisheries (MAFF)

The measure for Agricultural Damages by the Great East Japan Earthquake

FY2011 First Supplemental Budget (Agriculture, Forestry, Fisheries related)		Total	381.7 billion yen
Agriculture related			131.6 billion yen
• Damage reconstruction business of agricultural land and agricultural facilities (Public)			68.9 billion yen
• The Great East Japan Earthquake Subsidy for Agricultural Production Measures			34.1 billion yen
(Software business such as leasing business for agricultural machinery introduction)			(5.7 billion yen)
• Management resumption support business for damaged farming households (Paddy field 35,000 yen/10a, etc.)			5.2 billion yen
Others			

The deliberation on compensation by TEPCO (Nuclear damage compensation deliberative committee)		
Shipment restraint/self restraint by the government	→	Included in the 1st policy
Other than the above, seeding restriction, rumor damage	→	2nd policy and after.

Source: MAFF

Performance Forecast for the Fiscal Year Ending March 2012

(JPY bn)

Item	10/Mar. Actual		11/Mar. Actual		12/Mar. Forecast		Change from 11/Mar.
		%		%		%	
Net Sales	149.3	100.0	147.8	100.0	147.0	100.0	(0.8)
(Domestic)	131.2	87.9	128.7	87.1	127.0	86.4	(1.7)
(Overseas)	18.1	12.1	19.1	12.9	20.0	13.6	0.9
Operating Income	4.5	3.0	2.8	1.9	2.9	2.0	0.1
Ordinary Income	3.6	2.4	2.0	1.4	2.2	1.5	0.2
Net Income	2.3	1.6	(0.9)	(0.6)	0.9	0.6	1.8

*Company forex rate: 1 US\$ = ¥80, 1 Euro = ¥120

Notes on the Future Forecast

- The objective of this presentation document is to provide information, and it is not intended to invite any action.
- The document has been prepared by ISEKI based on 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.

ISEKI'S Sparse
Planting Rice
Transplanter received
a ward for excellence
of FOOD ACTION
NIPPON AWARD 2010



Increase food self sufficiency ratio 1% campaign which leads to relief in the future

FOOD ACTION NIPPON

ISEKI group is partner of FOOD ACTION NIPPON.