



Financial Results for the Fiscal Year Ended December 2015

Investor Relations Presentation Materials

ISEKI & CO., LTD.

Kenji Minami, Chairman

February 19, 2016

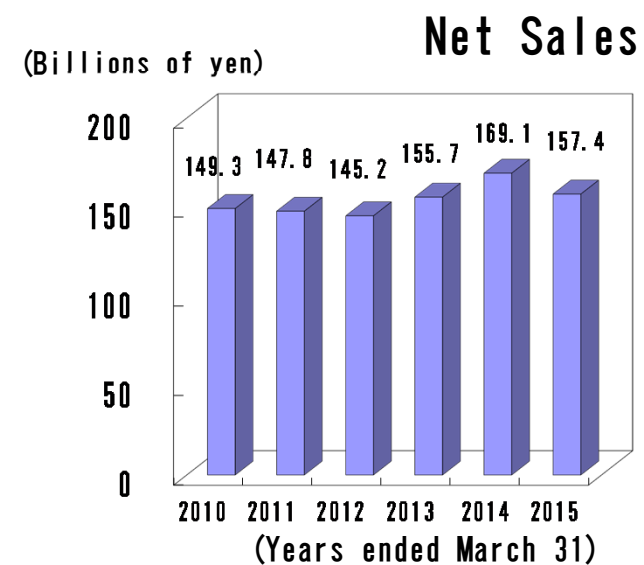


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1. Outline of Financial Results for the Fiscal Year Ended December, 2015
2. Recent Development in Domestic and Overseas Markets
3. Performance Forecast for the Fiscal Year Ending December, 2016



Outline of Financial Results of the Fiscal Year Ended December, 2015



Outline of Consolidated Business Performance

(JPY bn, %)

Item	FY ended Mar.14 Actual (Apr.-Mar.)	FY ended Mar.15 Actual (Apr.-Mar.)	FY ended Mar.15 Restated (Apr.-Dec.)		FY ended Dec.15 Actual (Apr.-Dec.)		yoy Change	FY ended Dec.15 Apr.-Dec. Forecast*	Diff. (Actual/forecast)
				%		%			
Net Sales	169.1	157.4	145.7	100.0	145.2	100.0	(0.5)	152.0	(6.8)
Domestic	142.9	131.9	129.0	88.5	122.5	84.4	(6.5)	131.5	(9.0)
Overseas	26.2	25.5	16.7	11.5	22.7	15.6	6.0	20.5	2.2
Operating Income	7.4	(0.5)	(0.3)	(0.2)	0.5	0.3	0.8	3.9	(3.4)
Ordinary Income	8.3	0.5	1.0	0.7	0.9	0.7	(0.1)	3.7	(2.8)
Profit attributable to owners of parent	6.4	(0.3)			(1.5)	-		2.1	(3.6)

December settlement companies(Domestic sales companies and others)

Jan.-Dec.
Apr.-Dec.

Former March settlement companies(ISEKI & Co., Ltd and others)

Jan.-Dec.
Apr.-Dec.

Jan.-Dec.
Apr.-Dec.

* Company average forex rate for FY ended Dec./15: ¥121 to the US\$, ¥132 to the Euro

*FY ended 15 Dec. Forecast: Forecast announced on May 14.

Outline of Domestic Sales

(JPY bn)

		FY ended Mar.14 Actual (Apr.-Mar.)	FY ended Mar.15 Actual (Apr.-Mar.)	FY ended Mar.15 Restated (Apr.-Dec.)	FY ended Dec.15 Actual (Apr.-Dec.)	yoy Change		FY ended Dec.15 Forecast* (Apr.-Dec.)	Diff. (Actual/ forecast)	
							Note			
Agriculture Related Business	Agricultural Machinery	Cultivating & Mowing Machinery	33.3	31.6	31.0	29.4	(1.6)	Tractors: (1.5)	32.0	(2.6)
		Planting Machinery	10.9	9.8	9.6	9.7	0.1	Rice transplanters: +0.1	10.3	(0.6)
		Harvesting & Processing Machinery	28.3	24.0	23.9	21.8	(2.1)	Combine harvesters:(1.5) Drying machines:(0.2)	23.8	(2.0)
		Total	72.5	65.4	64.5	60.9	(3.6)		66.1	(5.2)
	Farming Implements	21.6	18.7	18.1	17.5	(0.6)		18.5	(1.0)	
	Parts	14.5	14.4	14.2	13.8	(0.4)		14.3	(0.5)	
	Construction of Facilities	7.7	6.8	6.2	4.9	(1.3)	Large facilities: (1.4)	5.9	(1.0)	
	Other Agriculture Related Business	26.6	26.6	26.0	25.4	(0.6)		26.7	(1.3)	
	Total	142.9	131.9	129.0	122.5	(6.5)		131.5	(9.0)	

December settlement companies(Domestic sales companies and others)

Jan.-Dec.		
Apr.-Dec.		

Jan.-Dec.		
Apr.-Dec.		

Jan.-Dec.		
Apr.-Dec.		

Former March settlement companies(ISEKI & Co., Ltd and others)

*FY ended 15 Dec. Forecast: Forecast announced on May 14.

Breakdown of Overseas Sales

(JPY bn)

	FY ended Mar.14 Actual (Apr.-Mar.)	FY ended Mar.15 Actual (Apr.-Mar.)	FY ended Mar.15 Restated (Apr.-Dec.)	FY ended Dec.15 Actual (Apr.-Dec.)	yoy Change		FY ended Dec.15 Forecast* (Apr.-Dec.)	Diff. (Actual/ forecast)
						Note		
North America	10.1	11.1	7.3	9.0	1.7	Tractors: +1.6	7.3	1.7
Europe	5.2	8.2	5.5	8.3	2.8	Tractors: +0.4 Lawn mowers: +2.3	7.8	0.5
China*	7.0	1.7	1.0	0.3	(0.7)	Rice transplanters: (0.6)	1.9	(1.6)
ASEAN	0.5	0.3	0.2	1.8	1.6	Tractors: +1.1 Rice transplanters: +0.4	0.5	1.3
Others	1.6	1.8	1.1	1.2	0.1		1.0	0.2
Products Total	24.4	23.1	15.1	20.6	5.5		18.5	2.1
Parts & Others	1.8	2.4	1.6	2.1	0.5		2.0	0.1
Total	26.2	25.5	16.7	22.7	6.0		20.5	2.2

Overseas Sales incl. Chinese Businesses

28.8

20.9

30.1

9.2

28.0

2.1

Note: Europe: The results of ISEKI France from Jan.to Sep. are included.

*FY ended 15 Dec. Forecast: Forecast announced on May 14.

China : The results of the local subsidiary has been excluded due to elimination from consolidation.

Operating Income

(JPY bn)

Item	FY ended Mar.14 Actual (Apr.-Mar.)	FY ended Mar.15 Actual (Apr.-Mar.)	FY ended Mar.15 Restated (Apr.-Dec.)	FY ended Dec.15 Actual (Apr.-Dec.)	yoy change	FY ended Dec.15 Forecast* (Apr.-Dec.)	Diff. (Actual/ forecast)
Net Sales	169.1	157.4	145.7	145.2	(0.5)	152.0	(6.8)
Domestic	142.9	131.9	129.0	122.5	(6.5)	131.5	(9.0)
Overseas	26.2	25.5	16.7	22.7	6.0	20.5	2.2
Operating Income	7.4	(0.5)	(0.3)	0.5	0.8	3.9	(3.4)

[Change in Operating Income]

*FY ended 15 Dec. Forecast: Forecast announced on May 14.

*Comparison with the same period of the previous year	• Decrease in gross profit resulting from lower sales	: (0.8)
	• Deteriorated profitability due to change in the product mix,.etc.	: (1.2)
	• Decrease in personnel expenses (the completion of amortization of net retirement benefit obligation)	: 2.1
	• Reduction in expenses,.etc	: 0.7
	Total	0.8
*Comparison with the forecast	• Decrease in profit resulting from lower sales	: (1.7)
	• Deteriorated profitability due to change in the product mix,.etc	: (1.7)
	Total	(3.4)

Ordinary Income and Net Income

(JPY bn)

Item	FY ended Mar. 14 Actual (Apr.-Mar.)	FY ended Mar. 15 Actual (Apr.-Mar.)	FY ended Mar. 15 Restated (Apr.-Dec.)	FY ended Dec. 15 Actual (Apr.-Dec.)	yoy change	FY ended Dec. 15 Forecast* (Apr.-Dec.)	Diff. (Actual/ forecast)
Operating Income	7.4	(0.5)	(0.3)	0.5	0.8	3.9	(3.4)
Net Financial Income	(0.8)	(0.6)	(0.6)	(0.8)	(0.2)	(0.7)	(0.1)
Other Non-operating Income	1.7	1.6	1.9	1.2	(0.7)	0.5	0.7
Ordinary Income	8.3	0.5	1.0	0.9	(0.1)	3.7	(2.8)
Extraordinary Income	0.1	1.7	1.5	0.4	(1.1)	0.2	0.2
Extraordinary Losses	(0.5)	(0.9)	(0.4)	(0.6)	(0.2)	(0.3)	(0.3)
Income before Income Taxes	7.9	1.3	2.1	0.7	(1.4)	3.6	(2.9)
Income Taxes	(1.5)	(1.6)		(2.2)		(1.5)	(0.7)
Profit (Loss) attributable to Owners of Parent	6.4	(0.3)		(1.5)		2.1	(3.6)

[Factors of year-on year change]

*FY ended 15 Dec. Forecast: Forecast announced on May 14.

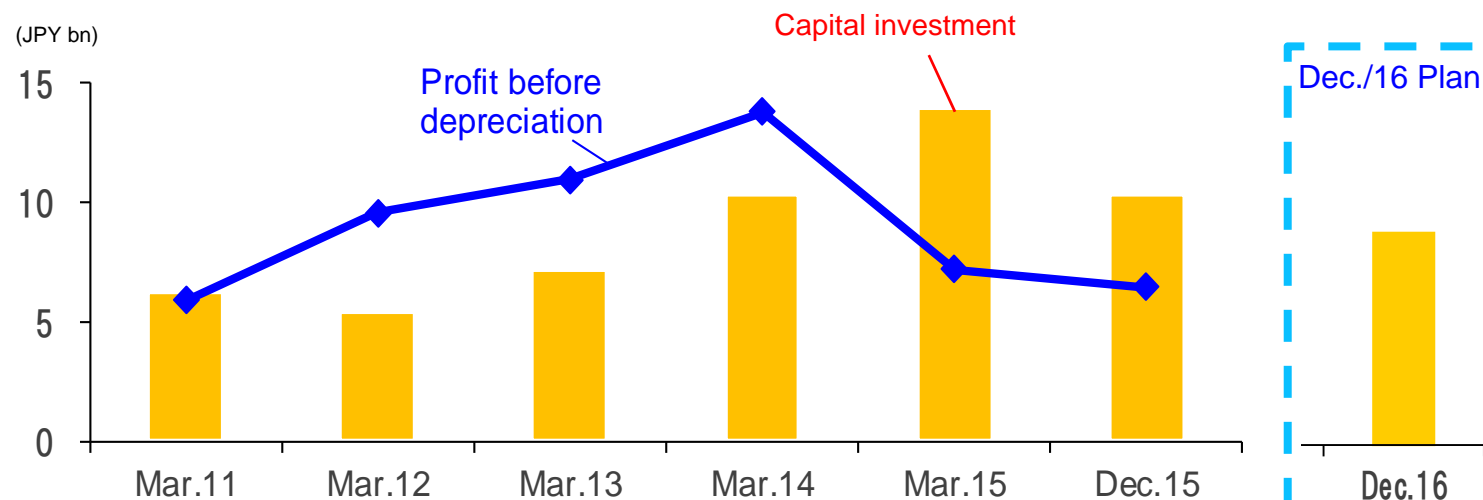
[Net Financial Income]	• Deterioration of financial income	: (0.2)
[Other Non-operating Income]	• Decrease in foreign exchange gains	: (0.7)
[Extraordinary Income]	• Increased income at entities accounted for using the equity method	: 0.3
	• Absence of a gain on change in equity (Chinese subsidiary)	: (0.6)
	• Absence of a negative goodwill (French distributing subsidiary)	: (0.8)
	• Others (Surcharge 0.3, etc)	: (0.2)

Balance Sheet

(JPY bn)

Item	FY ended Mar.14 (as of Mar.31,2014)	FY ended Mar.15 (as of Mar.31,2015)	FY ended Dec.15 (as of Dec.31,2015)	yoy change
Cash/Deposits	8.2	6.6	8.8	2.2
Accounts Receivables	41.6	30.4	24.9	(5.5)
Inventories	43.3	47.7	47.8	0.1
(Product Inventory)	26.1	30.8	29.7	(1.1)
Other Current Assets	4.7	7.1	5.2	(1.9)
Noncurrent Assets	99.8	112.3	114.4	2.1
Total Assets	197.6	204.1	201.1	(3.0)
Accounts Payables	47.5	38.7	40.0	1.3
Debts/Bonds	44.4	57.6	56.7	(0.9)
Other Liabilities	37.0	36.7	36.3	(0.4)
(Total Liabilities)	128.9	133.0	133.0	0.0
Net Assets	68.7	71.1	68.1	(3.0)
(Retained Earnings)	11.5	17.3	13.5	(3.8)
Total Liabilities and Net Assets	197.6	204.1	201.1	(3.0)

Trend of Capital Investment



A) Capital investment *1	6.3	5.5	7.2	10.4	14.0	10.4	8.5
B) Profit before depreciation	5.9	9.6	11.0	13.8	7.2	6.5	10.6
B-A	(0.4)	4.1	3.8	3.4	(6.8)	(3.9)	2.1

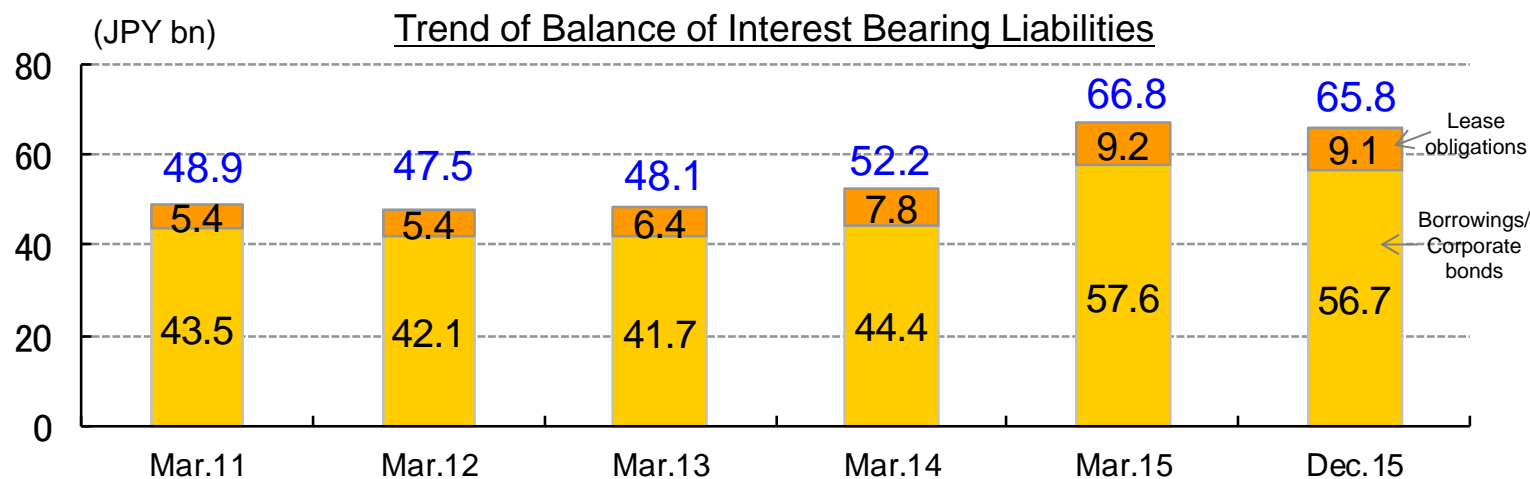
*1: Actual results are acceptance base of property, plant and equipment.

[Dec.15 Main items of capital investment]

	(JPY bn)
Strengthening of domestic sales & service facilities (Kyushu Agri Service Center, etc.)	5.3
Renewal of production facilities (New models, enhanced productivity, streamlining, etc.)	2.7
Construction of new research institute, model plant factory	2.4
	<hr/> 10.4

Interest Bearing Liabilities and Planned Dividend

1. Interest Bearing Liabilities



D/E ratio (Times)	0.89	0.82	0.76	0.76	0.94	0.97
Equity Ratio (%)	31.4%	32.9%	34.3%	34.0%	34.0%	33.0%

Interest bearing liabilities (billion yen)	48.9	47.5	48.1	52.2	66.8	65.8
Net assets (billion yen)	54.6	58.2	62.9	68.7	71.1	68.1

2. Planned Dividend

	Mar.13	Mar.14	Mar.15	Dec.15 Plan
Year-end Dividend (yen)	3.0	4.0	3.0	1.5



2. Recent Development in Domestic and Overseas Markets

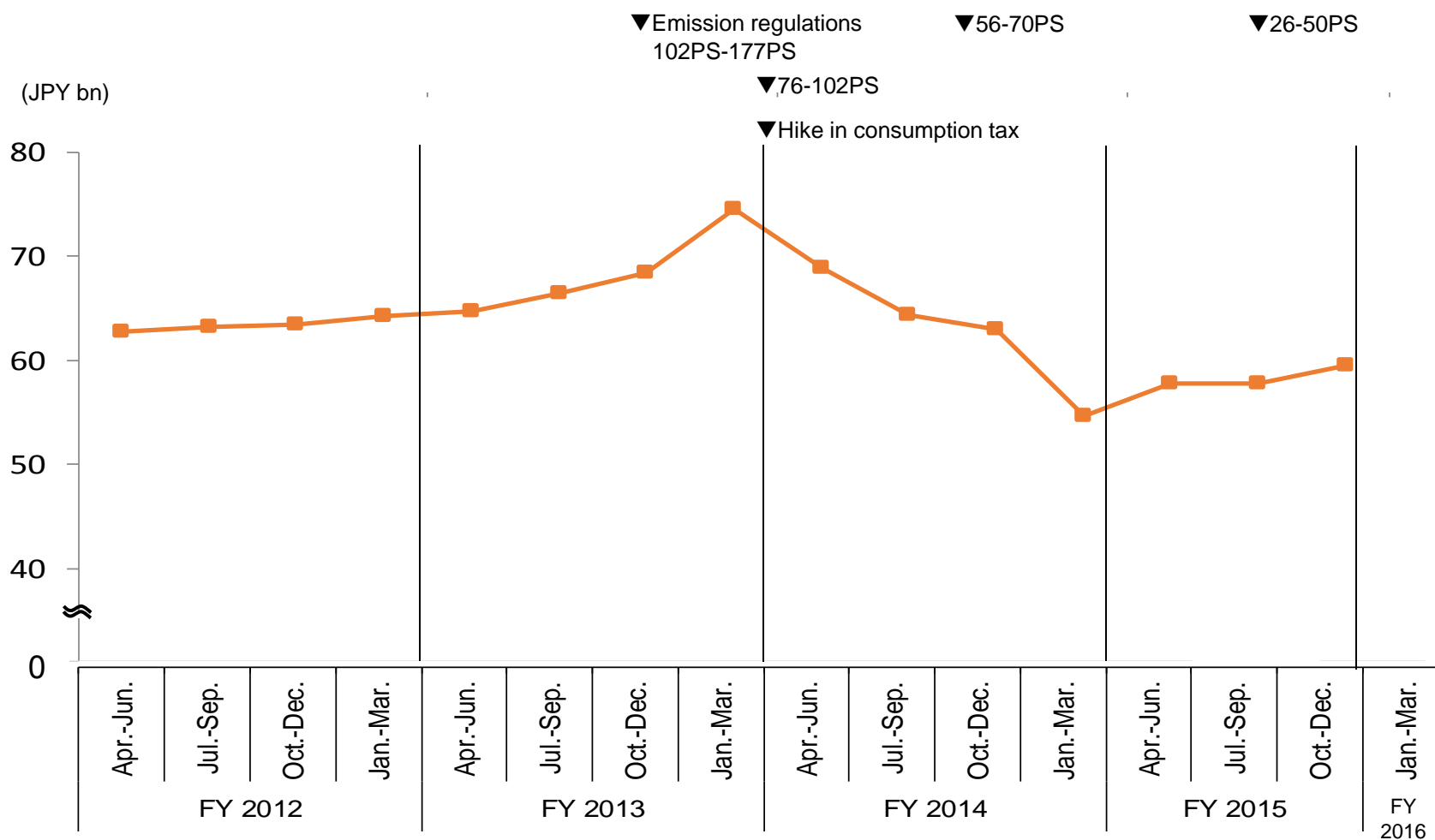


Variable fertilizing 8-row rice transplanter
NP80-FV



Domestic Sales Situation

Sales of domestic agricultural machinery (moving annual total)



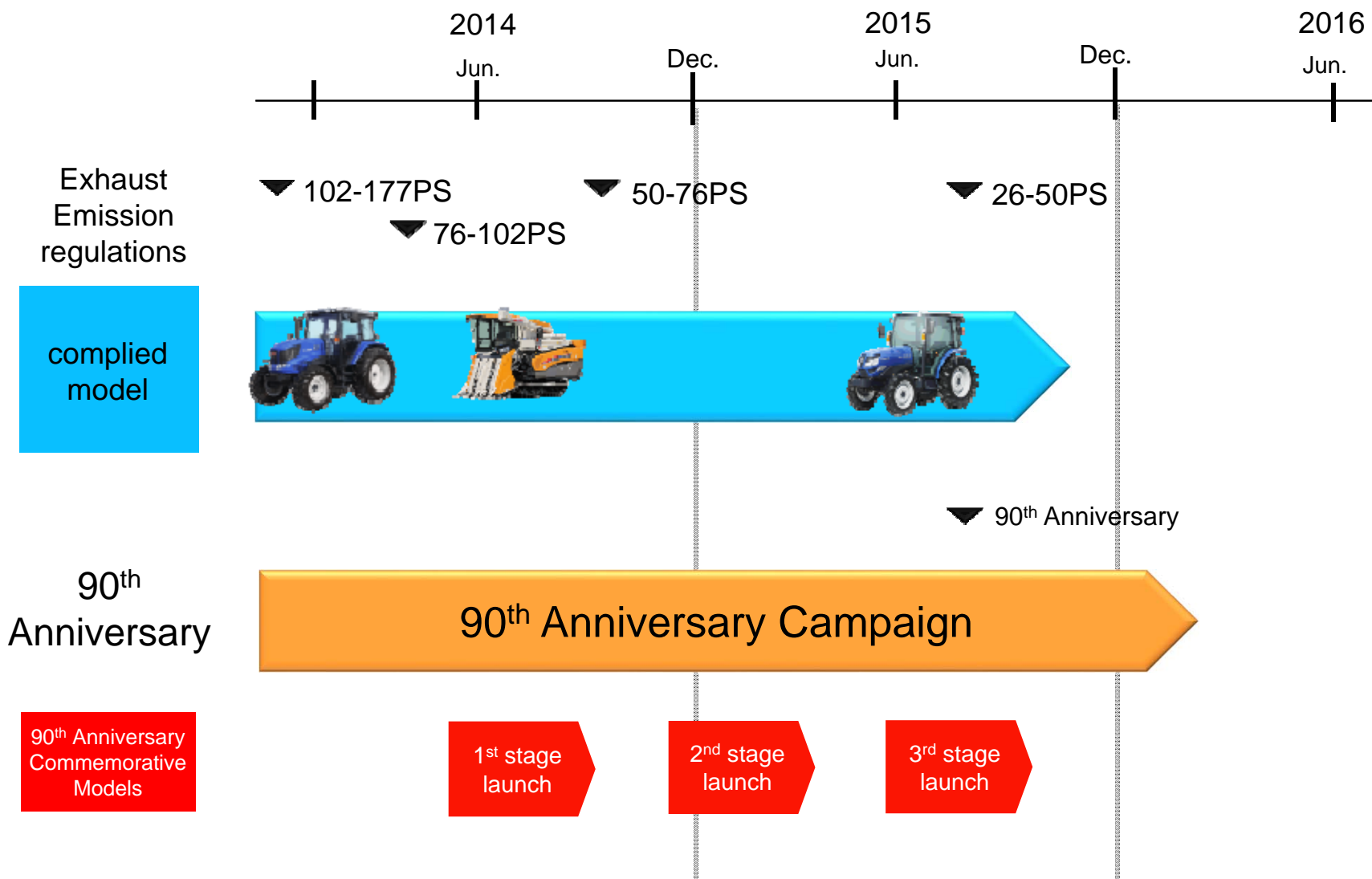
Industry Shipments and Sales Result

Growth rate of 9 principal products(year-on year)

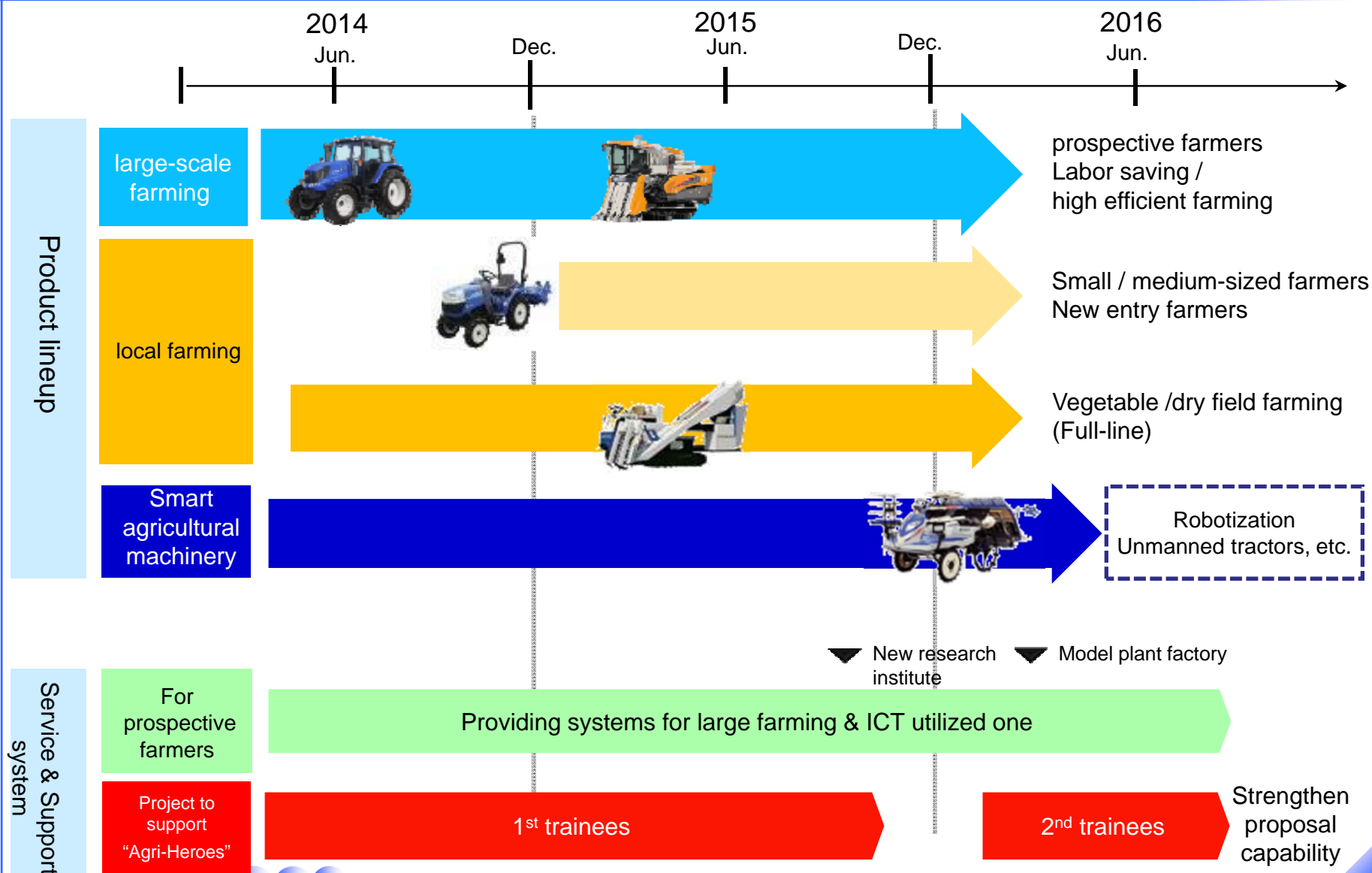
(%)

		Dec.12	Dec.13	Dec.14	Jun.15	Dec.15
Industry	Shipment value	107	119	86	70	84
ISEKI	Sales Value	104	108	92	84	94

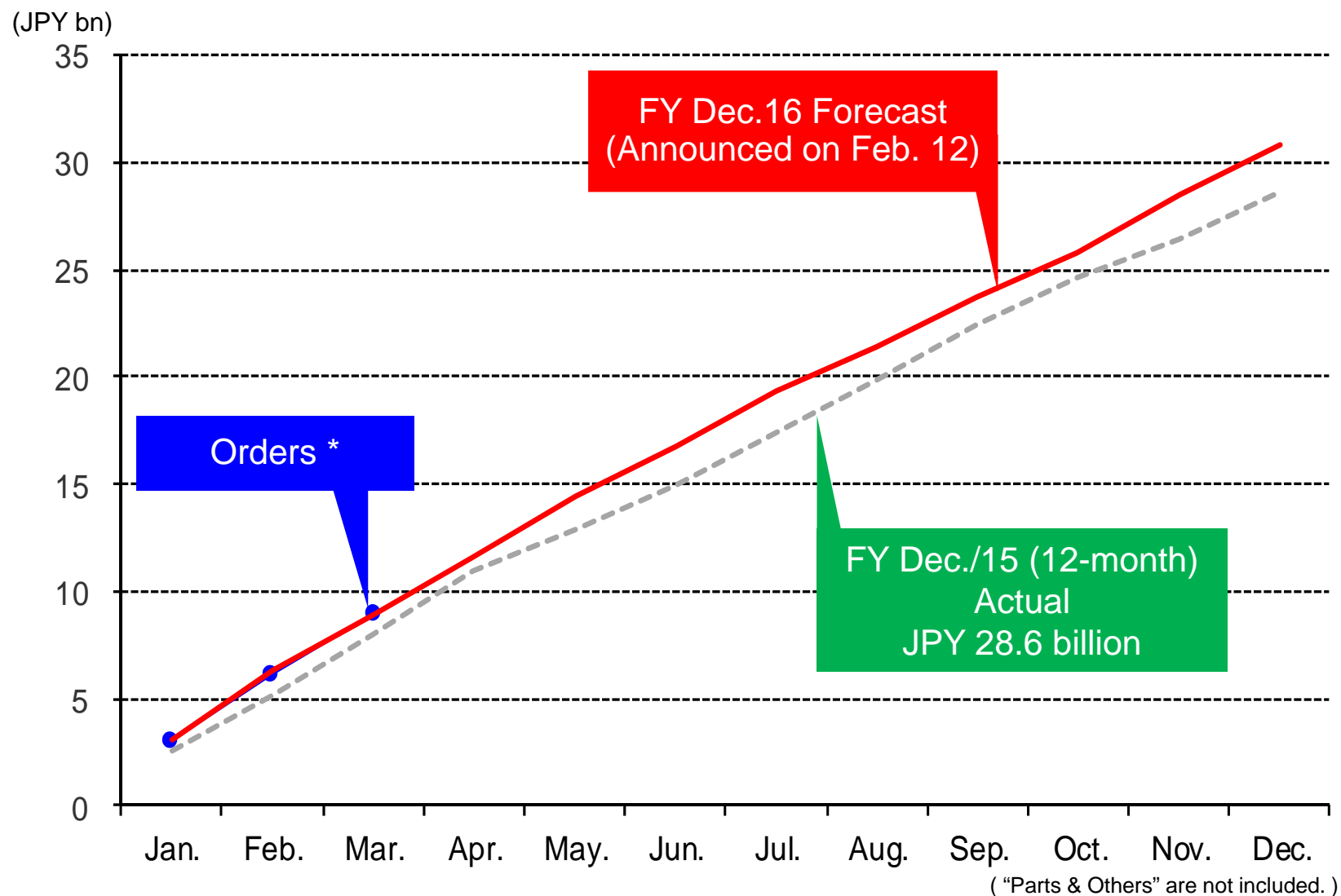
Introduction of New Products for Domestic Market



Introduction of New Products for Domestic Market



Recent Market Trend in Overseas



*FY ending Dec.16 Orders (Jan.-Mar.) : Shipment result (Jan.) + Orders (Feb. – Mar.)

Market Trend (North America)

1. Market in North America

(Unit: 1000)

Category (PTO HP)	Compact Tractors (PTO 40hp or below)			Utility Tractors (PTO 40hp or above, 100hp or below)		
	USA	Canada		USA	Canada	
Jan.-Dec.,2014	110	14	124	61	7	68
Jan.-Dec.,2015	118	13	131	59	6	66
Growth rate	108%	92%	106%	97%	85%	96%

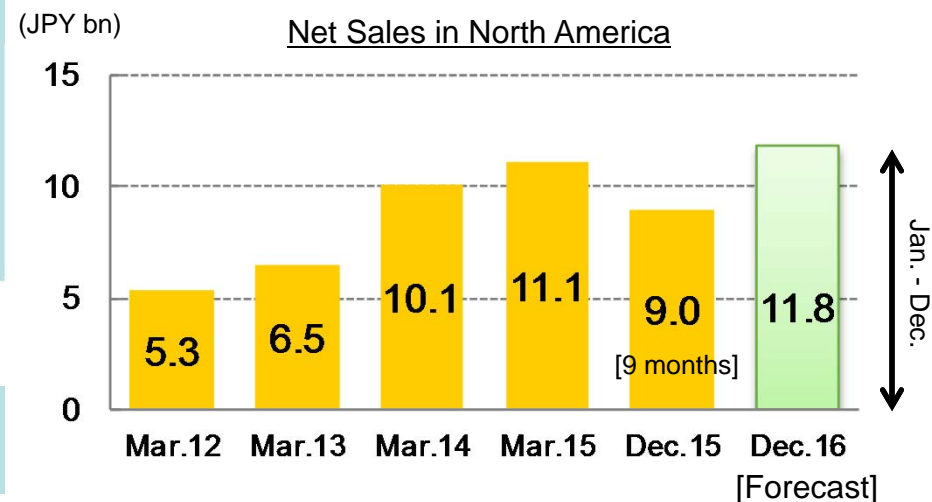
Source: Association of Equipment Manufacturers statistics

Figures have been rounded and non-adjusted.

2. Situation of AGCO (OEM partner)

Annual sales (Jan.-Dec.15)

- Compact tractors : higher than last year
 - Utility tractors : lower than last year
- (Our utility tractor line : higher than last year)



3. Our situation

Order & shipment (Jan.-Mar.): As planned

Enriching a utility tractor line-up, we try to increase our sales this year.

Market Trend (Europe)

1. Trend in European market

Blessed with good weather, market demand especially for mowers moved healthy.

2. Situation of distributors

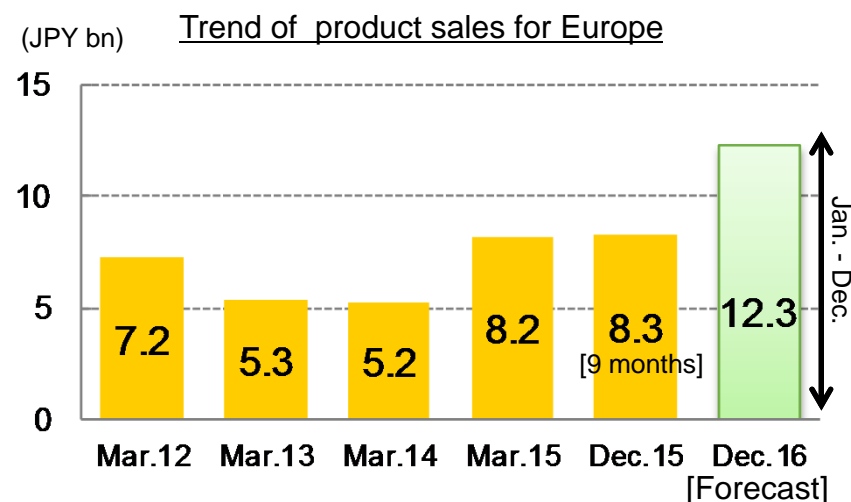
➤ Sales

- Distributors (Jan.-Dec.) : higher than last year
- ISEKI France (Oct.-Dec.) : higher than last year [Consolidated subsidiary]

3. Our situation

- Order & Shipment (Jan.-Mar.): higher than our plan

Running sales promotion especially in French and German market, we try to make higher sales than the previous year.



Market Trend (Thailand)

1. Trend in Thai market

Uncertain future outlook due to prolonged drought

2. Situation of ISEKI (Sales) Thailand [Mitsubishi Corporation 80%, ISEKI 20% investment]

- Launching new products: Strategic tractor debut (Manufactured in Indonesian factory)
Acquisition of orders for all-purpose combine harvesters (Manufactured in Chinese factory)
- Building of a sales network: The number of new dealers exceeded our initial target.

*Conducting full-fledged sales through dealers,
we try to expand our sales this year.*



Market Trend (Indonesia)

1. Trend in Indonesian market

Rise in demand is expected through governmental tender.

2. Our situation

➤ Sales

Promoted in an agricultural machinery diffusion policy by the Indonesian government and acquired orders for tractors and walk-behind rice transplanters in 2015.

(Manufactured in China)

In 2016, we try to acquire more orders than the previous year.

Market Trend (Indonesia)

- Full production at PT. ISEKI INDONESIA with production models increased

Destination	Model	Engagement
Europe	Economy tractor	Full-fledged sales starts from 2016
North America	Economy tractor	Full-fledged sales started from 2014
	Sub-compact tractor	Production at PT.ISEKI Indonesia started from 2015
Southeast Asia	Strategic tractor	Full-fledged sales started from 2015



Market Trend (China)

1. Trend in Chinese Market

(billion of yuan)

■ government subsidy	2008	2009	2010	2011	2012	2013	2014	2015	2016	
		4.0	13.0	15.5	17.5	21.5	21.75	23.8	23.8	1st period
									Annual	237.5

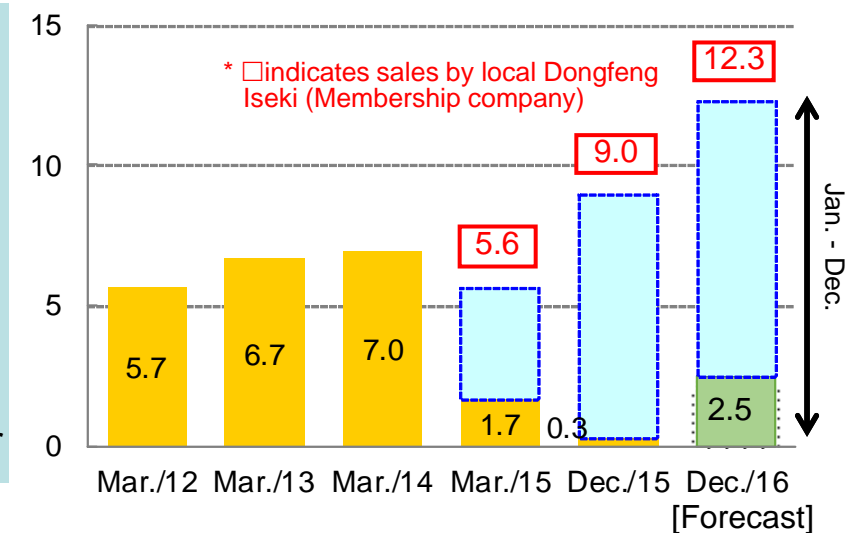
2. Situation of Dongfeng Iseki

Sales of Iseki Dongfeng (15/Jan.-Dec.)

* Excluding export to Southeast Asia from China.

- Rice transplanters (walk-behind/ride-on):
higher than last year
- Combine harvesters (self-threshing/all-purpose):
higher than last year
- High-clearance multi-purpose vehicles :
higher than last year

(JPY bn) Trend of ISEKI's sales in China



*New factory: Supply both to china and to Southeast Asia to be increased.
By full-fledged sales of tractors and sales expansion of rice transplanters,
we try to make more sales this year.*



Performance Forecast For the Fiscal Year Ending December, 2016



Combine harvester w/ yield sensor
HJ-S series (4-6 row harvesting)



Performance Forecast for FY ending Dec.16

(JPY bn, %)

Item	FY ended Mar.14 Actual (Apr.-Mar.)	FY ended Mar.15 Actual (Apr.-Mar.)	FY ended Dec.15 Actual (Apr.-Dec.)	FY ending Dec.16 Forecast*		Change from FY ended Mar.15
				(Jan.-Dec.)	%	
Net Sales	169.1	157.4	145.2	165.0	100.0	7.6
Operating Income	7.4	(0.5)	0.5	3.5	2.1	4.0
Ordinary Income	8.3	0.5	0.9	3.2	1.9	2.7
Profit attributable to owners of parent	6.4	(0.3)	(1.5)	1.9	1.1	2.2

December settlement companies(Domestic sales companies and others)

Former March settlement companies(ISEKI & Co., Ltd and others)

Jan.-Dec.
Apr.-Dec.

Jan.-Dec.
Jan.-Dec.

* Company forex rate: ¥120 to the US\$,¥130 to the Euro

*Forecast for FY ending Dec.16: Forecast announced on Feb.12

Breakdown of Domestic Sales

(JPY bn, %)

		FY ended Mar.14 Actual (Apr.-Mar.)	FY ended Mar.15 Actual (Apr.-Mar.)	FY ended Dec.15 Actual (Apr.- Dec.)	FY ending Dec.16 Forecast* (Jan.- Dec.)	Change from FY ended Mar.15	
Agriculture Related Business	Agricultural Machinery	Cultivating & Mowing Machinery	33.3	31.6	29.4	31.2	(0.4)
		Planting Machinery	10.9	9.8	9.7	9.9	0.1
		Harvesting & Processing Machinery	28.3	24.0	21.8	23.9	(0.1)
		Total	72.5	65.4	60.9	65.0	(0.4)
	Farming Implements	21.6	18.7	17.5	18.6	(0.1)	
	Parts	14.5	14.4	13.8	13.8	(0.6)	
	Construction of Facilities	7.7	6.8	4.9	7.5	0.7	
	Other Agriculture Related	26.6	26.6	25.4	26.4	(0.2)	
	Total	142.9	131.9	122.5	131.3	(0.6)	

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Jan.-Dec.
Apr.-Dec.

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Former March settlement companies(ISEKI & Co., Ltd and others)

*Forecast for FY ending Dec.16: Forecast announced on Feb.12

Breakdown of Overseas Sales

(JPY bn, %)

	FY ended Mar.14 Actual (Apr.-Mar.)	FY ended Mar.15 Actual (Apr.-Mar.)	FY ended Dec.15 Actual (Apr.- Dec.)	* FY ending Dec.16 Forecast* (Jan.- Dec.)	Change from FY ended Mar.15
North America	10.1	11.1	9.0	11.8	0.7
Europe	5.2	8.2	8.3	12.3	4.1
China*	7.0	1.7	0.3	2.5	0.8
ASEAN	0.5	0.3	1.8	2.2	1.9
Others	1.6	1.8	1.2	2.0	0.2
Products Total	24.4	23.1	20.6	30.8	7.7
Parts & Others	1.8	2.4	2.1	2.9	0.5
Total	26.2	25.5	22.7	33.7	8.2

Overseas sales including Chinese business	28.8	30.1	43.5	14.7
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Ratio of overseas net sales

24.9%

December settlement companies(Domestic sales companies and others)

Jan.-Dec.
Apr.-Dec.

Jan.-Dec.
Apr.-Dec.

Former March settlement companies(ISEKI & Co., Ltd and others)

*Forecast for FY ending Dec.16: Forecast announced on Feb.12

Performance Forecast for FY Ending Dec.16 (Operating Income and Forecast for the Year-End Dividend)

Operating income

(JPY bn, %)

Item	FY ended Mar.14 Actual (Apr.- Mar.)	FY ended Mar.15 Actual (Apr.- Mar.)	FY ending Dec.16 Forecast*		Change from FY ended Mar.15
			(Jan.- Dec.)	%	
Net Sales	169.1	157.4	165.0	100	7.6
Domestic	142.9	131.9	131.3	80	(0.6)
Overseas	26.2	25.5	33.7	20	8.2
Operating Income	7.4	(0.5)	3.5	2	4.0

[Change in Operating Income from FY ended Mar.15]

· Rise in income as a result of increased sales	: 2.2
· Reduction of fixed cost and expenses, etc.	: 1.8
	4.0

Forecast for the year-end dividend

(yen)

Mar.14	Mar.15	Dec.15(plan)	Dec.16(Forecast)
4.0	3.0	1.5	1.5 - 3.0

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.



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

FOOD ACTION NIPPON

ISEKI group is a partner of FOOD ACTION NIPPON.

Remarks

1. Consolidation period for the FY ended Dec.15

■ As a transitory treatment, results in the following period are consolidated for fiscal 2015;

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
a) Companies that have adopted Dec.31 as the fiscal year-end Domestic sales companies and others	1Q			2Q			3Q			4Q			Twelve months (Jan,-Dec)
b) Companies that have adopted Mar.31 as the fiscal year-end ISEKI & CO.,LTD and others				1Q			2Q			3Q			Nine months (Apr.-Dec.)
Consolidated Financial results (Accumulated)				1Q a Jan.- Mar. b Apr.- Jun.			2Q a Jan.- Jun. b Apr.- Sep.			Full Year End a Jan.- Dec. b Apr.- Dec.			

2. Remark on year-on year comparison

To use the same conditions for the year-on-year comparison, the results for the FY ended Mar.15 were restated on the comparable period basis.

3. Remark on the forecast for the FY ending Dec.16

To make a comparison with the same twelve-month period, the forecast for the FY ending Dec.15 is compared with the results for the FY Mar.15.