




May 11, 2012

Name of Listed Company ISEKI & CO., LTD.  Stock Exchange Listing Tokyo  
 Company Code: 6310 (URL <http://www.iseki.co.jp>)  
 Representative: Title President Name Seiichiro Gamo  
 Enquiries: Title General Manager of Name Shunichi Suzuki  
 Corporate Planning Department Telephone: +81 3 5604 7709  
 Date of the Regular Meeting of Shareholders: June 26, 2012  
 Scheduled Date to Commence Dividend Payment: June 27, 2012  
 Date of Submission of the Securities Report: June 27, 2012  
 Supplementary Explanatory Material: Prepared  
 Information Meeting: Scheduled (for institutional investors and analysts)

**Summary Announcement of Consolidated Financial Results**  
**for the Fiscal Year Ended March 31, 2012 (Japanese GAAP)**

**I. Financial Results for the Fiscal Year Ended March 31, 2012 (April 1, 2011 – March 31, 2012)**

**A. Results of operations**

(Rounded down to millions of yen, % indicates changes from the previous period)

	Year Ended		Year Ended	
	March 31, 2012	%	March 31, 2011	%
Net Sales	145,252	(1.7)	147,826	(1.0)
Operating Income	4,231	50.9	2,803	(37.9)
Ordinary Income	3,898	94.3	2,006	(45.2)
Net Income	2,727	-	(918)	-
Net Income per Share (yen)				
Non-diluted	11.87		(4.00)	
Fully Diluted	-		-	
Return on Equity (%)	5.0		(1.7)	
Return on Total Assets (%)	2.3		1.2	
Operating Income to Net Sales (%)	2.9		1.9	

Note: Comprehensive income

Year ended March 31, 2012 ¥3,577 mil. (- %) Year ended March 31, 2011 ¥(979) mil. (- %)

Reference: Investment gain (loss) by equity method

Year ended March 31, 2012 ¥(0) mil. Year ended March 31, 2011 -

**B. Financial Position**

(Rounded down to millions of yen)

	March 31, 2012	March 31, 2011
Total Assets	172,554	169,168
Net Assets	58,189	54,617
Shareholders' Equity to Total Assets Ratio (%)	32.9	31.4
Net Assets per Share (yen)	246.77	231.13

Reference: Shareholders' equity

Year ended March 31, 2012 ¥56,698 mil. Year ended March 31, 2011 ¥53,108 mil.

### C. Cash Flows

(Rounded down to millions of yen)

	Year Ended March 31, 2012	Year Ended March 31, 2011
Net Cash Provided by (used in) Operating Activities	8,580	7,060
Net Cash Provided by (used in) Investment Activities	(5,234)	(5,674)
Net Cash Provided by (used in) Financing Activities	(2,141)	(2,515)
Cash and Cash Equivalents at End of Period	6,952	5,585

### II. Dividends

	Year Ended March 31, 2011	Year Ended March 31, 2012	Year Ending March 31, 2013 Forecast
Dividend per share (yen)			
End of fiscal year	0.00	1.50	2.00 - 3.00
Annual	0.00	1.50	2.00 - 3.00
Annual cash dividend (million yen)	-	344	
Payout ratio (% , consolidated)	-	12.6	-
Ratio of dividend to net assets (% , consolidated)	-	0.6	

### III. Forecast for the Fiscal Year Ending March 31, 2013 (April 1, 2012—March 31, 2013)

(Rounded down to millions of yen, % indicates changes from the previous same period)

	Net Sales	%	Operating Income	%	Ordinary Income	%	Net Income	%	Net Income per Share (yen)
Interim	80,000	10.5	2,800	6.2	2,600	6.7	1,800	(0.5)	7.83
Annual	153,000	5.3	4,600	8.7	3,900	0.0	2,700	(1.0)	11.75

#### \* Notes

- A Changes in important subsidiaries during the period (change in specified subsidiaries which accompanies a change in the range of consolidation): None
- B Change in accounting policy, change of estimation in accounting and modified restatement
- 1) Change in accounting policy which accompanies revision of accounting standards: None
  - 2) Change in accounting policy other than No.1): None
  - 3) Change of estimation in accounting: None
  - 4) Modified restatement: None

C Outstanding shares (common shares)			
1) Outstanding shares (including treasury shares )	As of March 31, 2012	229,849,936 shares	
	As of March 31, 2011	229,849,936 shares	
2) Outstanding treasury shares	As of March 31, 2012	89,379 shares	
	As of March 31, 2011	73,082 shares	
3) Average number of shares	As of March 31, 2012	229,768,906 shares	
	As of March 31, 2011	229,791,896 shares	

Note: Please refer to page 29 “Per Share Information” as to the number of shares which provides a base for calculating net income per share (consolidated).

### (Reference) Non-consolidated Financial Results

#### Financial Results for the Fiscal Year Ended March 31, 2012 (April 1, 2011 – March 31, 2012)

##### A. Results of operations

(Rounded down to millions of yen, % indicates changes from previous period)

	Year Ended March 31, 2012	%	Year Ended March 31, 2011	%
Net Sales	87,341	(3.6)	90,560	(0.3)
Operating Income	438	172.0	161	(86.6)
Ordinary Income	2,034	75.1	1,161	(23.7)
Net Income	1,848	-	(430)	-
Net Income per Share (yen)				
Non-diluted	8.05		(1.88)	
Fully Diluted	-		-	

##### B. Financial Position

(Rounded down to millions of yen)

	March 31, 2012	March 31, 2011
Total Assets	121,567	120,661
Net Assets	52,732	50,030
Shareholders' Equity to Total Assets Ratio (%)	43.4	41.5
Net Assets per Share (yen)	229.51	217.74

Reference: Shareholders' Equity

Year ended March 31, 2012 ¥52,732 mil. Year ended March 31, 2011 ¥50,030 mil.

\*Statement regarding state of implementation of review procedure: This summary of financial results is exempt from audit procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure, audit procedures for consolidated financial statements and non-consolidated financial statements pursuant to the Financial Instruments and Exchange Act had not been completed.

\*Cautionary statement: The forecast for operating results has been determined based on information presently available, as well as on the assumptions that the Company believes to be reasonable. It is possible that in the future, actual results may differ from the anticipated figures for a variety of reasons. Please refer to “Analysis of Management Performance” on page 2 of the supplementary material for the assumptions underlying the forecasts and precautions when using the forecasts.

## ○ Table of contents for supplementary material

1. Management Performance.....	2
(1) Analysis of Management Performance .....	2
(2) Analysis of Financial Position .....	4
(3) Basic Policy on Profit Distribution and Dividends for Fiscal Year 2012 and 2013.....	5
(4) Risks Which Could Affect Our Business .....	5
2. The ISEKI Group .....	7
3. ISEKI's Management Policies.....	8
(1) ISEKI's Basic Management Principles .....	8
(2) Long-term Management Strategies and Issues to be Addressed .....	8
4. Consolidated Financial Statements.....	10
(1) Consolidated Balance Sheets .....	10
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income .....	12
(3) Consolidated Statements of Changes in Net Assets .....	15
(4) Consolidated Statements of Cash Flows .....	18
(5) Notes Regarding the Going Concern Assumption .....	20
(6) Important Basic Items for Preparing Consolidated Financial Statements.....	20
(7) Changes to Presentation .....	23
(8) Additional Information.....	23
(9) Notes to the Consolidated Financial Statements .....	24
(Consolidated Balance Sheets Information) .....	24
(Consolidated Statements of Income Information).....	25
(Consolidated Statements of Changes in Net Assets Information) .....	26
(Consolidated Statements of Cash Flows Information) .....	26
(Segment Information).....	27
(Per Share Information) .....	29
(Significant Subsequent Events).....	29
5. Non-consolidated Financial Statements .....	30
(1) Non-consolidated Balance Sheets .....	30
(2) Non-consolidated Statements of Income .....	33
(3) Non-consolidated Statements of Changes in Net Assets.....	35
(4) Notes Regarding the Going Concern Assumption .....	38
6. Others .....	38
(1) Production, Orders & Sales.....	38
(2) Change of Directors .....	40

## **1. Management Performance**

### **(1) Analysis of Management Performance**

During the fiscal year under review, Japan's economy remained sluggish in the first half due to stagnant economic activities, resulting mainly from the Great East Japan Earthquake, and a shortage of electricity in the wake of the nuclear power plant accident, coupled with worsening of the profitability of export industries caused by the continued appreciation of the yen in and after the summer. In the second half of the fiscal year, there were signs of recovery, primarily thanks to restoration demand and recovery production. Then, however, the pace of the global economic growth slowed due to the flooding in Thailand and financial problems in European nations and other factors.

Under such circumstances, the ISEKI Group adopted the slogan "Cheering Squad Supporting the Dream of Agriculture! ISEKI," and developed aggressive marketing activities by extending the range of its new products in response to diversifying customer needs.

(Consolidated business performance of the year under review)

In the fiscal year ended March 31, 2012, net sales decreased ¥2,574 million from a year earlier to ¥145,252 million (down 1.7% year on year). Domestic sales decreased ¥4,844 million from a year earlier to ¥123,859 million (down 3.8% year on year), and overseas sales increased ¥2,270 million to ¥21,393 million (up 11.9% year on year).

Operating income increased ¥1,427 million from a year earlier to ¥4,231 million (up 50.9% year on year). This is mainly because reduction of expenses and other covered a decline in profit, following a decrease in revenue, the effects of the yen's appreciation and an increase in price of raw materials. Ordinary income increased ¥1,892 million from a year earlier to ¥3,898 million (up 94.3% year on year). Net income increased ¥3,646 million from a year earlier to ¥2,727 million.

(Non-consolidated business performance of the year under review)

In the fiscal year under review, net sales totaled ¥87,341 million (down 3.6% year on year), operating income was ¥438 million (up 172.0% year on year), and ordinary income amounted to ¥2,034 million (up 75.1% year on year). The Company recorded a net income of ¥1,848 million.

Business performance by segment is as follows.

#### **1) Agriculture-related business**

Sales in the agriculture-related business in Japan declined due to a decrease in the construction of facilities, though sales of agricultural machinery, which remained weak in the first half of the fiscal year, affected by the Great East Japan Earthquake, but recovered in the second half, remained almost unchanged from the previous year. Overseas, overall sales increased due to the brisk sales of rice transplanters in China and an increase in sales for European countries, which were large enough to offset decreases in sales for North America and Asia, excluding China.

Sales by product are as follows.

(Domestic)

Sales of cultivating & mowing machinery (tractors, high-clearance multipurpose vehicles, etc.) amounted to ¥27,434 million (up 2.8% year on year), and sales of planting machinery (rice transplanters and vegetable transplanters) totaled ¥10,385 million (down 10.2% year on year). Sales of harvesting and processing machinery (combine harvesters, etc.) were ¥25,928 million (up 1.7% year on year). Moreover, sales of spare parts and farming implements reached ¥30,465 million (down 1.7% year on year), while sales of other agriculture-related business (including construction of facilities, etc.) declined to ¥29,518 million (down 12.7% year on year).

(Overseas)

Sales of cultivating & mowing machinery (tractors, etc.) increased to ¥13,116 million (up 0.2% year on year), and sales of planting machinery (rice transplanters, etc.) amounted to ¥5,162 million (up 104.7% year on year). Sales of harvesting and processing machinery (combine harvesters, etc.) declined to ¥1,187 million (down 25.4% year on year). Sales of spare parts and farming implements totaled ¥1,025 million (down 6.5% year on year), while sales of other agriculture-related business were ¥900 million (up 9.9% year on year).

As a result, sales in the agriculture-related business segment totaled ¥145,125 million.

## **2) Other business**

The Company develops, sells, and operates computer software in the “other business” segment. Sales in the other business segment amounted to ¥127 million.

### **Forecast for the Next Consolidated Fiscal Year**

We consider the real economy in Japan to be very weak, due mainly to the continuously strong yen and low stock prices, the issue of power supply and concern over the employment situation as restoration from the earthquake progresses. Also, with a delay in the recovery of the U.S. economy, financial uncertainty in European countries and the aggravation of the situation in the Middle East, the management environment still remains harsh and uncertain.

On the other hand, we expect the agricultural sector to become more active as the full-scale implementation of the individual (household) income support system for agriculture, aiming at improving food self-sufficiency, has come to stay, and initiatives for pushing forward with the development of the rural community for agriculture, forestry and fisheries as a “sixth industry” are advancing. Such initiatives include: the integration of production by agriculture, forestry and fisheries with processing and sales; and the creation of new industries by making the most of regional resources.

Under such conditions, we anticipate agricultural machinery demand in Japan for the fiscal year ending March 31, 2013 to remain unchanged from the previous year. Living up to the Group’s slogan “Cheering Squad Supporting the Dream of Agriculture! ISEKI,” we will strive to expand our market share by developing aggressive marketing activities with energy conservation and low-cost agricultural machinery. We also expect sales recovery in the construction of facility business.

Overseas, we expect sales to increase by firmly establishing the ISEKI brand in China.

In terms of profitability, we expect profits to be at the level of the previous year due to increases in administrative and other expenses, although increased sales will boost profits.

## (2) Analysis of Financial Position

Total assets at the end of the fiscal year increased ¥3,385 million year on year, to ¥172,554 million. Looking at the breakdown, current assets increased ¥4,174 million year on year. The main change was from a ¥1,356 million increase in cash and deposits and a ¥1,877 million increase in inventories. Noncurrent assets decreased ¥789 million from a year earlier. The main change was from a ¥771 million decrease in investments and other assets. Total liabilities decreased ¥186 million year on year, primarily due to an increase in notes and accounts payable-trade of ¥1,717 million and a decline in interest-bearing liabilities of ¥1,371 million. Net assets increased ¥3,572 million year on year, to ¥58,189 million, due to a net income posted, etc. The equity ratio was 32.9%.

(Net cash provided by (used in) operating activities)

Net cash provided by (used in) operating activities provided a net cash inflow of ¥8,580 million (up ¥1,519 million year on year), comprised principally of income before income taxes of ¥3,715 million and depreciation and amortization of ¥5,933 million.

(Net cash provided by (used in) investment activities)

Net cash provided by (used in) investment activities resulted in a net cash outflow of ¥5,234 million (down ¥440 million year on year), comprised principally of capital investment expenditures of ¥5,324 million and proceeds from sales of investment securities of ¥395 million.

(Net cash provided by (used in) financing activities)

Net cash provided by (used in) financing activities amounted to a net cash outflow of ¥2,141 million (down ¥374 million year on year), due primarily to the repayment of interest-bearing liabilities.

Reference: The trend of cash flow indicators is as follows.

Indicator	Mar. 31, 2009	Mar. 31, 2010	Mar. 31, 2011	Mar. 31, 2012
Equity ratio (%)	29.4	31.6	31.4	32.9
Market-based equity ratio (%)	31.4	37.2	25.9	28.1
Cash flow/Interest-bearing liabilities ratio (times)	5.7	6.3	6.2	4.9
Interest coverage ratio (times)	7.6	7.1	7.9	10.7

- Equity ratio: Shareholders' equity/Total assets
- Market-based equity ratio: Total market price of shares/Total assets
- Cash flow/Interest-bearing liabilities ratio: Interest-bearing liabilities/ Operating cash flow
- Interest coverage ratio: Operating cash flow / Interest payments

Notes: 1. All figures have been calculated using consolidated-based financial figures.

2. The total market price of shares is the product of the per-share closing price at the end of the period and the total number of shares outstanding (less treasury stocks) at the end of the period.
3. The Operating cash flow uses the Net Cash Provided by (Used in) Operating Activities as per the Consolidated Statements of Cash Flows. Interest-bearing liabilities use all the loans payable and bonds as recorded in the Consolidated Balance Sheets. The Interest payments use the interest paid as recorded in the Consolidated Statements of Cash Flows.

### **(3) Basic Policy on Profit Distribution and Dividends for Fiscal Year 2012 and 2013**

We recognize that the method for determining dividends to be paid to shareholders is one of the most important policies to be made. Our basic policy is to keep steady and improved dividend distribution, taking into consideration, not just consolidated financial results, but our Group's financial position and future business developments as well as changes in our managerial environment.

With respect to dividends for the fiscal year ended March 31, 2012, we will pay year-end dividends of 1.50 yen per share, as we publicly announced in the "Notice on revision of the dividend forecast for the fiscal year ending March 31, 2012" on March 15, 2012.

For the fiscal year ending March 31, 2013, we will pay year-end dividends of 2 yen to 3 yen per share in accordance with the forecast for business results.

### **(4) Risks Which Could Affect Our Business**

Latent risks and uncertainties which could affect our future financial performance are exemplified as below. We recognize the possibility of the occurrence of such risks and uncertainties, and will strive to avoid their occurrence and take proper measures should they occur:

#### **1) Economic Conditions and Changes in the Environment of Agriculture**

Sluggishness of domestic and/or overseas economic conditions and any change in the agriculture policy may negatively affect our financial performance through reduced demand for agricultural machinery.

#### **2) Exchange Rate Fluctuation**

There is a possibility that fluctuation of foreign exchange may negatively affect our financial performance.

#### **3) Price hike of Raw Materials, Difficulty in Procurement, and Confusion in the Supply Chain**

As we procure raw materials and parts from numerous suppliers, their prices suddenly increasing more rapidly than expected and a prolonged tightening of supplies may negatively affect our business performance.

In addition, a fall in production activities due to damage caused by the Great East Japan Earthquake, including restrictions on electricity supplies, and disruptions in the supply chain resulting from the flooding in Thailand may harm the ISEKI Group's business performance and financial position.

#### **4) Dependency on Specific Customers or Suppliers**

Any change of business policy, business depression and failure of our specific customers or suppliers may harm our financial performance.

#### **5) Competition with Other Companies**

We are involved in fierce competition with other companies in the market, and unless overall product competitiveness, including relevant services, is maintained, there is the possibility of a decline in our performance.

#### **6) Serious Defects in Products and Services**

The occurrence of serious defects in our products or services may negatively affect our financial performance.

#### **7) Stock Market Fluctuation**

As we hold securities, stock price declines may harm our business performance and financial position.

#### **8) Government Regulation on Environmental Issues, etc., and Occurrence of Related Difficulties**

Substantial costs may be incurred related to our products or business activities due to necessitated responses to public regulation of environmental issues etc., corrective measures undertaken upon the occurrence of troubles, lawsuits and other situations which could lead to a deterioration of our financial performance.

#### **9) Risks Derived from International Business**

Unexpected changes in tax and legal systems or political unrest of any particular country may cause harm to our financial performance.

#### **10) Risk of Legal Violation**

We are making group-wide efforts to accomplish complete legal compliance and drive home the code of ethical behavior by establishing the "ISEKI Group Code of Ethical Behavior" and preparing an internal control system. In spite of such efforts, if any of our directors and/or employees should conduct themselves in any way that violates laws and regulations, there is a possibility that the business activities of the Group will



be restrained and the business performance will be deteriorated.

**11) Risk of Natural Disasters and Accidents**

Natural disasters such as earthquakes, typhoons, flood or unexpected accidents may occur, which may harm our financial performance.

**12) Business Alliances, Joint Ventures and Strategic Investment with Other Companies**

We will possibly form business alliances and joint ventures and carry out strategic investment with other companies as necessary. We believe that these measures are an effective means for the effective utilization of the management resources of both parties and for the timely development, production and sales of products.

However, should a conflict of interests occur between the parties concerned in business alliances or joint ventures due to financial position or other reasons, we would not be able to maintain the alliances. With regard to strategic investment, including acquisitions, there is a possibility that the expected results and/or effects will not be obtained in the integration of business, technologies, products and human resources, or that more time and expenses than expected will be required. Accordingly, the success or failure of these measures may seriously affect the ISEKI Group's business and may harm our business performance and financial position.

**13) Debt**

We have concluded syndicate loan or commitment line contracts with financial institutions. Should any of the financial conditions of these contracts be triggered, we could face obligations to pay back some or all of these loans, which could negatively affect the financial position of the ISEKI Group.

There is a possibility that a hike in interest rate may harm our financial performance.

<p>The forecasts for future results and target figures produced by Iseki &amp; Co., Ltd., are based on information available as the day of this announcement, and assumptions made as of the same day regarding a number of latent risks and uncertainties that could affect future financial performance. Actual results could differ considerably depending on economic conditions, market trends, and future conditions for business operations hereafter.</p>
---

**2. The ISEKI Group**

The main business of the ISEKI Group is the development, manufacture and sale of agricultural machinery for rice and vegetable farming, among other related areas.

Position of the business in the ISEKI Group is stated in follows.

**(Agriculture-related Business)**

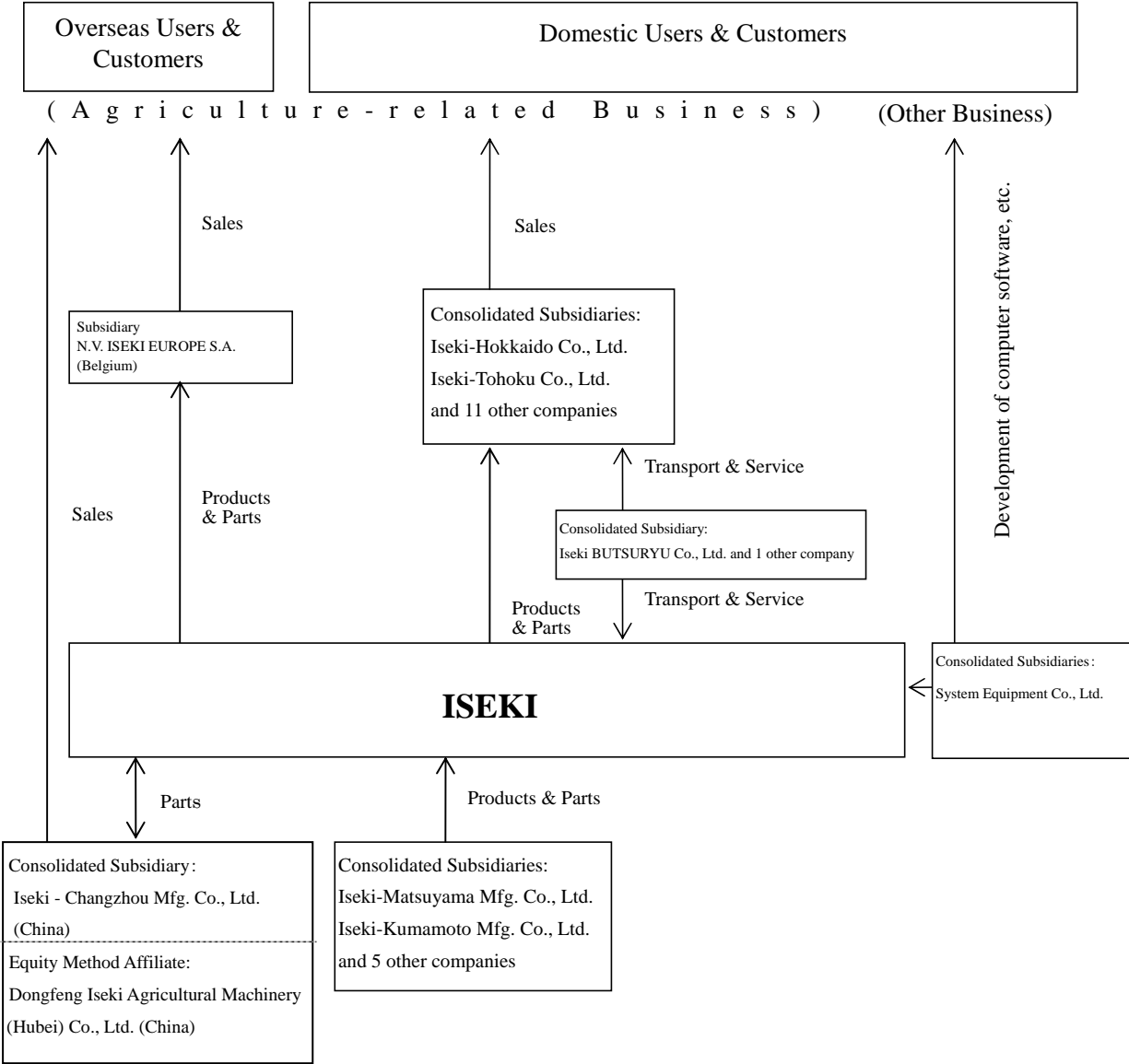
The Company primarily handles the development and design of agricultural machinery.

Seven companies, including Iseki-Matsuyama Mfg. Co., Ltd. and Iseki-Kumamoto Mfg. Co., Ltd., handle our agricultural machinery manufacturing and component processing activities, and 13 domestic sales companies market and sell the machinery across the country. Overseas marketing operations are handled by local distributors and affiliates as well as Iseki-Changzhou Mfg. Co., Ltd and Dongfeng Iseki Agricultural Machinery (Hubei) Co., Ltd.

**(Other Business)**

System Equipment Co., Ltd. is mainly engaged in development of computer software.

Following is a schematic diagram of the ISEKI Group.



### **3. ISEKI's Management Policies**

#### **(1) ISEKI's Basic Management Principles**

Since it was established over 80 years ago, ISEKI Group has been contributing to the modernization of Japan's agricultural industry as a full-line manufacturer specializing in agricultural machinery. Over this time, we have consistently pursued efficient and labor-saving advances in agriculture, and have served the market by pioneering the development of a quantity great deal of agricultural machinery and facilities.

When we consider the questions of an increasing world population and food supply, and then our own nation's food self-sufficiency and land preservation, our role to serve the farming sector becomes important and our duty to society as a manufacturer of agricultural machinery becomes even more significant.

ISEKI Group will continue to operate under a basic business philosophy of "providing products that delight our consumers" so that the Group can contribute to agriculture, both in Japan and throughout the world.

To reach this goal, our highest priority objectives are "to enhance product capability, to improve quality, to accelerate cost-cutting measures and to strengthen our sales service capabilities." We are aiming for a corporate culture that can maintain a stable operating performance and will continue in our efforts to reform our profit structure.

#### **(2) Long-term Management Strategies and Issues to be Addressed**

To realize future development in a rapidly changing business environment, we will accelerate to focus on the following challenges with all strength of the ISEKI Group.

##### 1) Enhancing initiatives to propose low-cost agriculture

With competition in the market getting keener, we will continue to raise customer satisfaction levels by providing high-quality and low-cost products and services that support energy conservation and low-cost agriculture from the viewpoint of customers.

We will launch "new products that support low-cost agriculture," including products that help reduce materials expenses, products incorporating low-priced agricultural technologies and products designed to save labor, by precisely grasping the needs of the market and planning products in a timely manner.

We will strive to expand domestic sales by further improving customer satisfaction in the domestic market through efficient sales promotion and strengthening of sales service capabilities, leveraging the fortes of flexible wide-area sales companies.

Also, we will continue to support areas affected by the Great East Japan Earthquake toward a full recovery.

##### 2) To strengthen promotion of global development

We position Europe, North America and Asia as the three major overseas markets.

With regard to North America, Europe and other markets, we will further expand the markets by launching "new strategic products" that satisfy customer needs.

In addition, we will proactively expand our business in the Chinese market, where the mechanization of agriculture is rapidly advancing, with Iseki-Changzhou Mfg. Co., Ltd. and Dongfeng Iseki Agricultural Machinery (Hubei) Co., Ltd. as the core bases, and endeavor to expand sales and establish the ISEKI brand in the Southeast

Asian market, which is expected to grow in the future, by developing products that match the market.

To meet diversifying market needs, we will enhance our development, production, sales and service structures to develop business from a locally-oriented standpoint.

Also, we will proceed with the localization of development, the expansion of overseas production and the appointment of local employees as executives, while striving to ensure the necessary human resources by carrying out human exchanges, language training and other education programs.

### 3) To enhance product capability and promote cost structure reform

Our first priority lies with products that garner a high reputation among our customers, as we are improving our development process in the pursuit of zero defects. Our development and manufacturing operations are working together to improve the production process and establish a framework that guarantees product quality.

As needs for low-priced products are growing both in domestic and overseas, the Company established the Cost Structure Reform Committee to make company-wide efforts for cost structure reform as of April 1.

We will strongly drive ahead with “cost structure reform,” comprised of “low-cost design,” “low-cost production” and “low-cost procurement,” with the Cost Structure Reform Dept., general manager of each engineering department, the president of each manufacturing company and general manager of the Purchasing Dept. serving as structure reform leaders.

## **4. Consolidated Financial Statements**

### **(1) Consolidated Balance Sheets**

(millions of yen)

	<b>FY2011</b> (as of Mar. 31, 2011)	<b>FY2012</b> (as of Mar. 31, 2012)
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and deposits	5,696	7,052
Notes and accounts receivable-trade	28,688	28,703
Short-term investment securities	19	19
Merchandise and finished goods	37,216	38,168
Work in process	2,569	3,295
Raw materials and supplies	1,180	1,380
Deferred tax assets	632	1,021
Others	2,720	3,243
Allowance for doubtful accounts	(60)	(45)
<b>Total Current Assets</b>	<b>78,665</b>	<b>82,840</b>
<b>Noncurrent Assets:</b>		
Property, plant and equipment		
Buildings and structures, net	14,909	14,965
Machinery, equipment and vehicles, net	7,291	6,983
Tools, furniture and fixtures, net	2,113	1,601
Land	50,173	50,263
Lease assets, net	4,863	4,970
Construction in progress	521	1,042
Other, net	18	14
<b>Total property, plant and equipment</b>	<b>79,890</b>	<b>79,840</b>
Intangible assets	948	981
Investments and other assets		
Investment securities	5,186	5,159
Long-term loans receivable	180	151
Deferred tax assets	781	706
Other	3,951	3,278
Allowance for doubtful accounts	(436)	(403)
<b>Total investments and other assets</b>	<b>9,663</b>	<b>8,892</b>
<b>Total Noncurrent Assets</b>	<b>90,503</b>	<b>89,714</b>
<b>Total Assets</b>	<b>169,168</b>	<b>172,554</b>

	(millions of yen)	
	<b>FY2011</b>	<b>FY2012</b>
	(as of Mar. 31, 2011)	(as of Mar. 31, 2012)
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Notes and accounts payable-trade	41,950	43,667
Short-term loans payable	17,883	17,174
Current portion of long-term loans payable	11,220	8,147
Lease obligations	1,603	1,672
Accrued consumption taxes	516	390
Income taxes payable	463	803
Deferred tax liabilities	4	-
Accrued expenses	3,332	4,004
Provision for bonuses	821	236
Provision for loss on disaster	174	-
Other	3,319	3,659
<b>Total Current Liabilities</b>	<b>81,290</b>	<b>79,756</b>
<b>Noncurrent Liabilities:</b>		
Bonds payable	100	100
Long-term loans payable	14,277	16,653
Lease obligations	3,771	3,736
Deferred tax liabilities	397	252
Deferred tax liabilities for land revaluation	7,593	6,644
Provision for retirement benefits	5,225	5,485
Provision for directors' retirement benefits	134	116
Asset retirement obligations	294	257
Negative goodwill	2	-
Other	1,465	1,361
<b>Total Noncurrent Liabilities</b>	<b>33,261</b>	<b>34,608</b>
<b>Total Liabilities</b>	<b>114,551</b>	<b>114,364</b>
<b>Net Assets</b>		
Shareholders' equity		
Capital stock	23,344	23,344
Capital surplus	13,454	13,454
Retained earnings	5,160	7,887
Treasury stock	(19)	(22)
<b>Total Shareholders' Equity</b>	<b>41,939</b>	<b>44,664</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	366	265
Deferred gains or losses on hedges	-	3
Revaluation reserve for land	10,867	11,816
Foreign currency translation adjustment	(65)	(51)
<b>Total accumulated other comprehensive income</b>	<b>11,169</b>	<b>12,034</b>
Minority interests	1,508	1,490
<b>Total Net Assets</b>	<b>54,617</b>	<b>58,189</b>
<b>Total Liabilities and Net Assets</b>	<b>169,168</b>	<b>172,554</b>

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

## Consolidated Statements of Income

(millions of yen)

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Net sales	147,826	145,252
Cost of sales	101,639	98,839
Gross profit	46,187	46,412
Selling, general and administrative expenses	43,383	42,181
Operating income	2,803	4,231
Non-operating income		
Interest income	206	192
Dividends income	102	175
Amortization of negative goodwill	9	4
Subsidies received	107	68
Rent income	147	146
Sales of scrap	145	143
Other	413	464
Total non-operating income	1,133	1,194
Non-operating expenses		
Interest expenses	891	796
Sales discounts	115	104
Foreign exchange losses	329	1
Loss on abandonment of inventories	296	301
Other	296	323
Total non-operating expenses	1,930	1,527
Ordinary income	2,006	3,898
Extraordinary income		
Gain on sales of noncurrent assets	67	36
Gain on sale of investment securities	1	256
Other	-	0
Total extraordinary income	68	293
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	201	138
Impairment loss	62	29
Loss on valuation of investment securities	602	6
Loss on valuation of golf club membership	3	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	218	-
Loss on disaster	760	12

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Retirement benefit expenses	-	252
Cost of measures for product recall	23	37
Other	0	0
Total extraordinary losses	1,872	477
Income before income taxes	202	3,715
Income taxes-current	825	1,100
Income taxes for prior periods	55	257
Income taxes-deferred	233	(359)
Total income taxes	1,115	998
Income (loss) before minority interests	(912)	2,716
Minority interests in income (loss)	6	(11)
<b>Net income (loss)</b>	<b>(918)</b>	<b>2,727</b>



Consolidated Statements of Comprehensive Income

(millions of yen)

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Income (loss) before minority interests	(912)	2,716
Other comprehensive income		
Valuation difference on available-for-sale securities	(9)	(105)
Deferred gains or losses on hedges	-	3
Revaluation reserve for land	-	949
Foreign currency translation adjustment	(57)	7
Share of other comprehensive income of associates accounted for using equity method	-	6
Total other comprehensive income	(66)	860
Comprehensive income	(979)	3,577
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(994)	3,593
Comprehensive income attributable to minority interests	15	(15)

**(3) Consolidated Statements of Changes in Net Assets**

(millions of yen)

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
<b>Shareholders' Equity</b>		
<b>Capital Stock</b>		
Balance at the beginning of period	23,344	23,344
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of period	23,344	23,344
<b>Capital Surplus</b>		
Balance at the beginning of period	13,454	13,454
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of period	13,454	13,454
<b>Retained Earnings</b>		
Balance at the beginning of period	6,076	5,160
Changes of items during the period		
Net income (loss)	(918)	2,727
Reversal of revaluation reserve for land	2	-
Total changes of items during the period	(916)	2,727
Balance at the end of period	5,160	7,887
<b>Treasury Stock</b>		
Balance at the beginning of period	(13)	(19)
Changes in items during the period		
Purchase of treasury stock	(6)	(3)
Total changes of items during the period	(6)	(3)
Balance at the end of period	(19)	(22)
<b>Total Shareholders' Equity</b>		
Balance at the beginning of period	42,862	41,939
Changes of items during the period		
Net income (loss)	(918)	2,727
Purchase of treasury stock	(6)	(3)
Reversal of revaluation reserve for land	2	-
Total changes of items during the period	(922)	2,724
Balance at the end of period	41,939	44,664

**Accumulated Other Comprehensive Income****Valuation Difference on Available-for-sale Securities**

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Balance at the beginning of period	385	366
Changes of items during the period		
Net changes in items other than shareholders' equity	(18)	(101)
Total changes of items during the period	(18)	(101)
Balance at the end of period	366	265
<b>Deferred gains or losses on hedges</b>		
Balance at the beginning of period	-	-
Changes of items during the period		
Net changes in items other than shareholders' equity	-	3
Total changes of items during the period	-	3
Balance at the end of period	-	3
<b>Revaluation Reserve for Land</b>		
Balance at the beginning of period	10,869	10,867
Changes of items during the period		
Net changes in items other than shareholders' Equity	(2)	949
Total changes of items during the period	(2)	949
Balance at the end of period	10,867	11,816
<b>Foreign Currency Translation Adjustment</b>		
Balance at the beginning of period	(7)	(65)
Changes of items during the period		
Net changes in items other than shareholders' Equity	(57)	13
Total changes of items during the period	(57)	13
Balance at the end of period	(65)	(51)
<b>Total Accumulated Other Comprehensive Income</b>		
Balance at the beginning of period	11,247	11,169
Changes of items during the period		
Net changes in items other than shareholders' equity	(78)	865
Total changes of items during the period	(78)	865
Balance at the end of period	11,169	12,034
<b>Minority Interests</b>		
Balance at the beginning of period	1,494	1,508
Changes of items during the period		
Net changes in items other than shareholders' equity	13	(17)
Total changes of items during the period	13	(17)
Balance at the end of period	1,508	1,490
<b>Total Net Assets</b>		
Balance at the beginning of period	55,604	54,617

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Changes in items during the period		
Net income (loss)	(918)	2,727
Purchase of treasury stock	(6)	(3)
Reversal of revaluation reserve for land	2	-
Net changes in items other than shareholders' equity	(64)	847
Total changes of items during the period	(987)	3,572
Balance at the end of period	54,617	58,189

**(4) Consolidated Statements of Cash Flows**

(millions of yen)

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
<b>Net Cash Provided by (Used in) Operating Activities:</b>		
Income before income taxes	202	3,715
Depreciation and amortization	5,666	5,933
Impairment loss	62	29
Amortization of negative goodwill	(9)	(4)
Increase (decrease) in provision for retirement benefits	140	260
Increase (decrease) in provision for loss on disaster	174	(174)
Loss (gain) on sales of investment securities	(0)	(255)
Loss on evaluation of golf club memberships	3	-
Interest and dividend income	(309)	(367)
Interest expenses	891	796
Foreign exchange losses (gains)	(169)	(154)
Loss (gain) on sales of property, plant and equipment and intangible assets	133	102
Decrease (increase) in notes and accounts receivable-trade	631	(14)
Decrease (increase) in inventories	503	(1,878)
Increase (decrease) in notes and accounts payable-trade	176	1,717
Loss on adjustment for changes of accounting standard for asset retirement obligations	218	-
Other	611	375
Subtotal	8,928	10,080
Interest and dividends income received	309	368
Interest expenses paid	(891)	(804)
Income taxes paid	(1,404)	(1,328)
Income taxes refund	118	265
Net cash provided by (used in) operating activities	7,060	8,580
<b>Net Cash Provided by (Used in) Investment Activities:</b>		
Purchase of short-term investment securities	(19)	(19)
Proceeds from sales of short-term securities	19	19
Purchase of property, plant and equipment and intangible assets	(5,364)	(5,324)
Proceeds from sales of property, plant and equipment and intangible assets	279	199
Purchase of investment securities	(529)	(325)
Proceeds from sales of investment securities	11	395
Decrease (increase) in loans receivable	2	26

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Decrease (increase) in time deposits	(20)	10
Payments for investments in capital of subsidiaries and affiliates	-	(239)
Other	(54)	24
Net cash provided by (used in) investment activities	(5,674)	(5,234)
<b>Net Cash Provided by (Used in) Financing Activities:</b>		
Increase (decrease) in short-term loans payable, net	2,063	(709)
Proceeds from long-term loans payable	10,135	11,870
Repayment of long-term loans payable	(13,972)	(12,567)
Proceeds from issuance of bonds	100	-
Redemption of bonds	(1,060)	-
Proceeds from sell and leaseback transactions	1,491	997
Repayments of lease obligations	(1,255)	(1,718)
Purchase of treasury stock	(6)	(3)
Other	(11)	(11)
Net cash provided by (used in) financing activities	(2,515)	(2,141)
<b>Effect of Exchange rate Change on Cash and Cash Equivalents</b>		
	100	162
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(1,028)	1,367
<b>Cash and Cash Equivalents at Beginning of Period</b>	6,614	5,585
<b>Cash and Cash Equivalents at End of Period</b>	5,585	6,952

## **(5) Notes Regarding the Going Concern Assumption**

Not applicable

## **(6) Important Basic Items for Preparing Consolidated Financial Statements**

### **1) Scope of consolidation**

Number of consolidated subsidiaries.....24 companies

(including Iseki-Matsuyama Mfg. Co., Ltd., Iseki-Kumamoto Mfg. Co., Ltd., Iseki-Hokkaido Co., Ltd. and Iseki-Tohoku Co., Ltd.)

### **2) Scope of the equity method companies**

Number of affiliates.....1 company (Dongfeng Iseki Agricultural Machinery (Hubei) Co., Ltd.)

Effective the consolidated accounting period, the affiliated company is accounted for by the equity method as a result of investment made in the company.

### **3) Consolidated accounting period**

Of the consolidated subsidiaries, 14 companies (including Iseki-Hokkaido Co., Ltd.) use an end-of-period balance sheet date of December 31. 10 companies (including Iseki-Matsuyama Mfg. Co., Ltd.) use a balance sheet date of March 31. With regard to the preparation of the consolidated financial statements, the financial statements as of the balance sheet dates of respective companies are used. And necessary adjustments at consolidation are made for any significant transactions that occurred between the consolidated balance sheet date and these dates.

### **4) Accounting policies**

#### **(1) Valuation basis and methods of important assets**

##### **(a) Securities**

Held-to-maturity debt securities ..... recorded at amortized cost

Available-for-sale securities

- Securities with fair market value..... recorded at market value, based on the fair market price at the closing date of the consolidated reporting period.

(Any estimate variance is credited or debited to Shareholders' Equity)

- Securities without fair market value..... recorded at cost, based on the moving-average method

(b) Inventories..... mainly recorded at cost using the gross average method  
(Balance sheet amounts for items with reduced profitability have been adjusted downward accordingly)

(c) Derivatives..... recorded using the market value method

#### **(2) Depreciation methods for material depreciable assets**

##### **(a) Property, plant and equipment (excluding lease assets)**

The straight-line method is used to depreciate tools. For others, the declining-balance method is used. However, for new buildings (not including buildings and accompanying facilities) acquired on or after April 1, 1998, the straight-line method is used.

(b) Intangible assets (excluding lease assets)

Straight-line method is used. However, software for internal use is depreciated using the straight-line method over an expected useful life within the company of five years, while software for marketing is depreciated using the straight-line method over an expected marketable period of three years.

(c) Lease assets

Lease assets derived from finance leases other than those leases which transfer the ownership of the assets to the lessee are amortized using straight-line method with no residual value over the lease period, which is deemed the useful life.

Among finance leases that do not involve transfer of ownership to lessee, leases that began before April 1, 2008 are accounted for as normal operating leases.

(3) Allowances and reserves

(a) Allowance for doubtful accounts

A likely unrecoverable amount is calculated by applying the historical bad debt ratio to common receivables. For specific receivables, such as doubtful debt receivables, allowances are made by individually evaluating the likelihood of them being collected.

(b) Provision for bonuses

To provide for future bonus payments to employees, a provision for bonuses is booked based on estimated future payments.

(c) Provision for loss due to disaster

The Company allotted the reserve for loss due to disaster for the restoration of assets damaged by the Great East Japan Earthquake, based on estimates as at the end of the consolidated accounting period.

(d) Provision for retirement benefits

Provision for retirement benefits is recorded as at the end of the consolidated accounting period, and is principally based on the amounts for the obligation for employees' retirement benefits and pension plan assets. Disparities arising out of changes to accounting standards are expensed pro rata over 15 years. Past service liabilities are amortized using the straight-line method over the average of the estimated remaining years of service. Actuarial differences are amortized using the straight-line method over the average of the estimated remaining years of service, with the first expense being recognized in the following consolidated fiscal period.

(e) Provision for directors' retirement benefits

Some of the consolidated subsidiaries record the directors' retirement benefits to provide for directors' retirement benefits in an amount as required by companies' internal regulations.

(4) Accounting standards for revenues and expenses

(a) Accounting standards for the value and cost of completed construction contracts

The percentage-of-completion method is applied for construction in progress up to the end of the consolidated accounting period, for which the outcome can be estimated reliably (the proportional cost method is applied for estimating the percentage of progress of the construction). The completed-contract method is applied for other constructions.



(5) Foreign currency translation

Monetary assets and liabilities in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date. Gains or losses resulting from the translation are credited or charged to income. Balance sheet accounts (except for shareholders' equity) and revenue and expense accounts of the overseas subsidiary are translated into yen at the rates of exchange in effect at the balance sheet dates. Differences arising from the translation are presented as "Foreign currency translation adjustment" in shareholders' equity and financial statements.

(6) Hedge accounting

(a) Hedge accounting

Recorded in accordance with deferred hedge accounting. Such receivables and payables, which are denominated in foreign currencies and for which forward exchange contracts have been entered, are recorded using the forward exchange rates.

(b) Hedging instruments and hedged items

(i) Hedging instruments

Forward exchange contracts and interest rate swap agreements

(ii) Hedged items

Receivables and payables denominated in foreign currencies and borrowings

(c) Hedging policies

Forward exchange contracts and interest rate swap agreements are entered into in order to hedge the risks associated with fluctuations in foreign currencies exchange rates and interest rates.

(7) Amortization of goodwill and negative goodwill

The consolidation adjustment account is amortized by the straight-line method over a period of no longer than 20 years.

(8) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits with banks with draw able on demand, and short-term investments which are readily convertible to cash subject to an insignificant risk of any change in their value and which were purchased with an original maturity of three months or less.

(9) Other notes pertaining to the preparation of the Consolidated Financial Statements

Accounting treatment of consumption tax

Consumption tax and local consumption taxes are accounted for using a tax-exclusive method.

## **(7) Changes to Presentation**

### **(Consolidated Statements of Income)**

Effective the consolidated accounting period, “Income taxes for prior periods,” which was included in “Income taxes-current” in the previous fiscal year, is presented separately because its importance has increased. The consolidated financial statements of the previous fiscal year were rearranged in order to reflect this change to presentation.

## **(8) Additional Information**

### **1) Application of Accounting Standard for Accounting Changes and Error Corrections**

For accounting changes and corrections of prior period errors made on or after the beginning of the fiscal year under review, the Company adopted the “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No. 24, December 4, 2009) and the “Implementation Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24, December 4, 2009).

### **2) Impact of change in corporation tax rate, etc.**

With the promulgation of the “Act on Partial Revision of the Income Tax Act, etc. to Build Tax System Conforming to Changes in Economic and Social Structures” (Law No. 114 of 2011) and the “Act on Special Measures Concerning Security of Financial Resources Necessary for Implementation of Measures for Restoration from the Great East Japan Earthquake” (Law No. 117 of 2011) on December 2, 2011, the corporation tax rate was to be changed from the fiscal year starting on or after April 1, 2012. As a result of this change, the normal effective statutory tax rate used to calculate deferred tax assets and liabilities will be as follows in accordance with the time when temporary differences will reverse:

Up to March 31, 2012: 40.0%

From April 1, 2012 to March 31, 2015: 38.0%

On and after April 1, 2015: 35.0%

As a result of this change in the tax rate, the amount of deferred tax assets (the amount of deferred tax liabilities is deducted) and deferred tax liabilities decreased ¥99 million and ¥36 million, respectively, while valuation difference on available-for-sale securities and income taxes-deferred increased ¥22 million and ¥85 million, respectively.

Also, deferred tax liabilities for land revaluation decreased ¥949 million and revaluation reserve for land increased by the same amount.

## (9) Notes to the Consolidated Financial Statements

### (Consolidated Balance Sheets Information)

	FY2011	FY2012
1. Accumulated depreciation of property, plant and equipment	94,005 million yen	96,979 million yen
2. Guaranteed liabilities	8,486 million yen	6,835 million yen
3. Notes receivable less discount-trade	12 million yen	- million yen
4. Endorsed notes receivable-trade	371 million yen	317 million yen
5. Notes to mature on the last day of the fiscal year		
The last day of FY2012 fell on a holiday of financial institutions. Notes to mature on the last day of the fiscal year were settled as of the clearing date. Notes that matured on the last day of the fiscal year under review are as follows:		
Notes receivable-trade		47 million yen
Notes payable-trade		1,722 million yen
Other (Notes payable-facilities)		19 million yen
6. Revaluation of land for business use		
The Company has revalued its land for business use pursuant to the law (Law No. 19, announced on March 31, 2001) which revises parts of the law relating to the revaluation of land. The equivalent tax related to the change in the said revaluation has been recorded in the liabilities (noncurrent liabilities) as a "Deferred tax liabilities for land revaluation" and the deducted amount has been recorded under net assets as "Revaluation reserve for land."		
• Revaluation method	•••••	The revaluation of land has been determined using a reasonable adjustment to the assessed value of the noncurrent assets for property tax as stipulated in Paragraph 3, Article 2 of the enforcement order (Government ordinance No. 119, announced on March 31, 1998)
• Revaluation date	•••••	March 31, 2001
• Variance between the market value of the revalued land at the end of the period and the revalued book value	•••••	(11,152) million yen

**(Consolidated Statements of Income Information)**

	FY2011	FY2012
1. Research and development expenses	3,883 million yen	3,858 million yen
2. Impairment loss		

FY2011 (April 1, 2010 - March 31, 2011)

The Company recorded impairment losses on the following assets.

(millions of yen)

Usage	Type	Location	Impairment loss
Idle property	Buildings, Land	Saihaku, Tottori Pref.	4
Property loaned out	Land	Goshogawara, Aomori Pref.	57
Total			62

(Reason to recognized impairment loss)

The Company recorded an impairment loss on the above assets. This is because idle properties are not being used and have no prospect for use in the future. In addition, the market price of land is declining for idle properties and properties loaned out.

(Measurement of recoverable amount)

Recoverable amount is measured using net selling price. In case of land, the price is determined by applying reasonable adjustments to the assessed value of noncurrent assets for property tax.

FY2012 (April 1, 2011 - March 31, 2012)

The Company recorded impairment losses on the following assets.

(millions of yen)

Usage	Type	Location	Impairment loss
Idle property	Buildings, Land	Soma, Fukushima Pref.	1
	Buildings, Structures	Nasu-shiobara, Tochigi Pref.	28
Total			29

(Reason to recognized impairment loss)

The Company recorded an impairment loss on the above assets. This is because idle properties are not being used and have no prospect for use in the future. In addition, the market price of land is declining for idle properties.

(Measurement of recoverable amount)

Recoverable amount is measured using net selling price. In case of land, the price is determined by applying reasonable adjustments to the assessed value of noncurrent assets for property tax.

**(Consolidated Statements of Changes in Net Assets Information)**

FY2011 (April 1, 2010 - March 31, 2011)

## 1. Matters concerning the classes and number of outstanding stock and classes and number of treasury stock

	Number of shares (as of Apr. 1, 2010)	Increase in number of shares during period	Decrease in number of shares during period	Number of shares (as of Mar. 31, 2011)
(Number of outstanding shares) Common stock	229,849,936	—	—	229,849,936
(Treasury stock) Common stock	44,223	28,859	—	73,082

Increase in the number of shares, 28,859 shares during the period was by purchasing of shares below stock trading unit.

FY2012 (April 1, 2011 - March 31, 2012)

## 1. Matters concerning the classes and number of outstanding stock and classes and number of treasury stock

	Number of shares (as of Apr. 1, 2011)	Increase in number of shares during period	Decrease in number of shares during period	Number of shares (as of Mar. 31, 2012)
(Number of outstanding shares) Common stock	229,849,936	—	—	229,849,936
(Treasury stock) Common stock	73,082	16,297	—	89,379

Increase in the number of shares, 16,297 shares during the period was by purchasing of shares below stock trading unit.

## 2. Dividends

Of the dividends for which the record date belongs to the fiscal year ended March 31, 2012, those for which the effective date of the dividends will be in the fiscal year ending March 31, 2013

Resolution	Type of shares	Source of funds for dividends	Total amount of dividend paid (millions of yen)	Dividend per share (yen)	Record date	Effective date
Regular Meeting of Shareholders on Jun. 26, 2012	Common stock	Retained earnings	344	1.50	Mar. 31, 2012	Jun. 27, 2012

**(Consolidated Statements of Cash Flows Information)**

Reconciliation between cash and cash equivalents at the end of period and the amount reported in the Consolidated Balance Sheets.

	FY2011	FY2012
Cash and deposits	5,696 million yen	7,052 million yen
Time deposits with terms of more than 3 months	(110) million yen	(100) million yen
Total cash and cash equivalents	5,585 million yen	6,952 million yen

## (Segment Information)

### 1. Segment disclosure

The Company's reported segments are business units for which discrete financial data are available and which are periodically reviewed by the Company's Board of Directors to determine resource allocation and to evaluate financial performance.

Our business by products/services consists of two reportable segments, namely "agriculture-related business" which is the core of our business, and "other business" which attends rest of the business.

The "agriculture-related business" consists of the manufacture and sale of agricultural machinery, construction and sale of agriculture-related facilities, and business related to agricultural activities and products, including revenue from the use of rice-polishing machines. The "other business" consists of information processing services including the development, sale, and operation of computer software.

### 2. Method of accounting for net sales, income/loss, assets, liabilities and other items by segment

Most items reported under a segment apply the same accounting method to that stated in "Important Basic Items for Preparing Consolidated Financial Statements."

The income of a segment is equal to net income. Internal sales and transfer amounts between segments are recorded on the basis of market price.

### 3. Net sales, income/loss, assets, liabilities and other items by segment

FY2011 (April 1, 2010 - March 31, 2011)

(millions of yen)

	Agriculture-related	Other	Total	Adjustments	Amount reported in the consolidated financial statements
Net sales					
Sales to outside customers	147,682	144	147,826	-	147,826
Internal sales or transfers between segments	0	135	135	(135)	-
Total	147,682	279	147,962	(135)	147,826
Segment income (loss)	(919)	1	(918)	-	(918)
Segment assets	169,078	202	169,281	(112)	169,168
Segment liabilities	43,480	-	43,480	-	43,480
Other items					
Depreciation	5,665	0	5,666	-	5,666
Amortization of negative goodwill	10	(1)	9	-	9
Interest income	206	0	206	(0)	206
Interest expenses	891	-	891	(0)	891
Extraordinary income	68	-	68	-	68
Extraordinary loss	1,872	-	1,872	-	1,872
(Loss on disaster)	(760)	-	(760)	-	(760)
Taxes	1,110	4	1,115	-	1,115
Increase of property, plant and equipment and intangible assets	7,922	0	7,922	-	7,922

1. Adjustment represents reduction in internal unrealized profit.
2. Segment income (loss) have been adjusted from net income (loss) reported in the Consolidated Statements

of Income.

3. Segment assets have been adjusted from total assets reported in the Consolidated Balance Sheets.
4. Segment liabilities represent short-term loans payable, long-term loans payable (including the current portion of long-term loans payable), and bonds payable (including current portion of bonds payable).

FY2012 (April 1, 2011 - March 31, 2012)

(millions of yen)

	Agriculture-related	Other	Total	Adjustments	Amount reported in the consolidated financial statements
Net sales					
Sales to outside customers	145,125	127	145,252	-	145,252
Internal sales or transfers between segments	0	141	141	(141)	-
Total	145,125	269	145,394	(141)	145,252
Segment income	2,727	0	2,727	-	2,727
Segment assets	172,465	221	172,686	(132)	172,554
Segment liabilities	42,074	-	42,074	-	42,074
Other items					
Depreciation	5,933	0	5,933	-	5,933
Amortization of negative goodwill	5	(1)	4	-	4
Interest income	192	0	192	(0)	192
Interest expenses	796	-	796	(0)	796
Equity in losses of affiliates	0	-	0	-	0
Extraordinary income	293	-	293	-	293
Extraordinary loss	477	-	477	-	477
Taxes	988	10	998	-	998
Increase of property, plant and equipment and intangible assets	7,272	-	7,272	-	7,272

Notes:

1. Adjustment represents reduction in internal unrealized profit.
2. Segment income have been adjusted from net income reported in the Consolidated Statements of Income.
3. Segment assets have been adjusted from total assets reported in the Consolidated Balance Sheets.
4. Segment liabilities represent short-term loans payable, long-term loans payable (including the current portion of long-term loans payable), and bonds payable (including current portion of bonds payable).

**(Per Share Information)**

(yen)

	FY2011	FY2012
Net assets per share	231.13	246.77
Net income (loss) per share	(4.00)	11.87

## Notes:

1. The Company has not presented net income per share after adjustment for dilutive securities for FY2011 because it recorded net loss and there were no dilutive securities.
2. The Company has not presented net income per share after adjustment for dilutive securities for FY2012 because there are no dilutive securities.
3. Basis of calculation of net income (loss) per share

	FY2011	FY2012
Net income (loss) per share		
Net income (loss) reported in the Consolidated Statements of Income (millions of yen)	(918)	2,727
Net income (loss) attributed to common shares (millions of yen)	(918)	2,727
Net income (loss) not attributable to common shares (millions of yen)	-	-
During period average number of common shares (shares)	229,791,896	229,768,906

**(Significant Subsequent Events)**

FY2011 (April 1, 2010 – March 31, 2011)

Not applicable

FY2012 (April 1, 2011 – March 31, 2012)

Not applicable



## **5. Non-consolidated Financial Statements**

### **(1) Non-consolidated Balance Sheets**

(millions of yen)

	<b>FY2011</b> (as of Mar. 31, 2011)	<b>FY2012</b> (as of Mar. 31, 2012)
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and deposits	2,601	3,536
Notes receivable-trade	7,451	7,092
Accounts receivable-trade	27,488	29,451
Merchandise and finished goods	12,860	11,882
Work in process	0	58
Raw materials and supplies	230	217
Advance payments-trade	329	157
Prepaid expenses	251	268
Deferred tax assets	445	716
Short-term loans receivable	7,788	7,438
Accounts receivable-other	1,164	1,219
Other	79	97
Allowance for doubtful accounts	(4)	(4)
<b>Total Current Assets</b>	<b>60,687</b>	<b>62,133</b>
<b>Noncurrent Assets:</b>		
Property, plant and equipment		
Buildings, net	3,666	3,408
Structures, net	184	157
Machinery and equipment, net	1,667	1,708
Vehicles, net	3	1
Tools, furniture and fixtures, net	1,047	673
Land	25,183	25,183
Lease assets, net	190	218
Construction in progress	15	78
Total property, plant and equipment	<b>31,958</b>	<b>31,430</b>
Intangible assets		
Leasehold right	85	85
Software	188	196
Lease assets	130	115
Other	57	91
Total intangible assets	<b>461</b>	<b>489</b>
Investments and other assets		

	<b>FY2011</b> (as of Mar. 31, 2011)	<b>FY2012</b> (as of Mar. 31, 2012)
Investment securities	4,871	4,861
Stocks of subsidiaries and affiliates	17,357	16,724
Investments in capital	90	86
Investments in capital of subsidiaries and affiliates	278	1,075
Long-term loans receivable from employees	67	57
Long-term loans receivable from subsidiaries and affiliates	4,876	4,584
Claims provable in bankruptcy, claims provable in rehabilitation and other	0	0
Long-term prepaid expenses	322	305
Other	1,006	981
Allowance for doubtful accounts	(170)	(175)
Allowance for investment loss	(1,145)	(989)
Total investments and other assets	27,554	27,514
<b>Total Noncurrent Assets</b>	59,974	59,434
<b>Total Assets</b>	120,661	121,567
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Notes payable-trade	15,919	18,201
Accounts payable-trade	15,756	13,587
Short-term loans payable	6,500	6,500
Current portion of long-term loans payable	8,348	5,258
Lease obligations	91	113
Account payable-other	655	601
Accrued expenses	1,598	1,892
Income taxes payable	64	74
Advances received	176	137
Deposits received	276	344
Provision for bonuses	220	-
Provision for loss on disaster	123	-
Notes payable-facilities	144	166
Other	4	4
<b>Total Current Liabilities</b>	49,880	46,881

(millions of yen)

	FY2011 (as of Mar. 31, 2011)	FY2012 (as of Mar. 31, 2012)
<b>Noncurrent Liabilities:</b>		
Long-term loans payable	10,177	12,581
Lease obligations	246	237
Deferred tax liabilities	310	205
Deferred tax liabilities for land revaluation	7,593	6,644
Provision for retirement benefits	1,266	1,264
Long-term deposits from employees	758	711
Long-term deposits received	24	23
Asset retirement obligations	128	118
Other	245	167
<b>Total Noncurrent Liabilities</b>	20,750	21,953
<b>Total Liabilities</b>	70,631	68,835
<b>Net Assets</b>		
Shareholders' equity		
Capital stock	23,344	23,344
Capital surplus		
Legal capital surplus	11,554	11,554
Other capital surplus	2,450	2,450
Total capital surpluses	14,004	14,004
Retained earnings		
Other retained earnings		
Retained earnings brought forward	1,487	3,336
Total retained earnings	1,487	3,336
Treasury stock	(19)	(22)
Total Shareholders' Equity	38,817	40,663
Valuations and Translation Adjustments		
Valuation difference on available-for-sale		
Securities	345	249
Deferred gains or losses on hedges	-	3
Revaluation reserve for land	10,867	11,816
Total valuation and translation adjustments	11,212	12,069
Total Net Assets	50,030	52,732
<b>Total Liabilities and Net Assets</b>	120,661	121,567

**(2) Non-consolidated Statements of Income**

(millions of yen)

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Net sales	90,560	87,341
Cost of sales	78,358	75,509
Gross profit	12,202	11,832
Selling, general and administrative expenses	12,041	11,393
Operating income	161	438
Non-operating income		
Interest income	390	353
Dividends income	1,150	1,336
Rent income	1,388	1,333
Other	258	460
Total non-operating income	3,189	3,484
Non-operating expenses		
Interest expenses	424	362
Interest on bonds	0	-
Sales discounts	64	58
Rent expenses	1,135	1,084
Loss on abandonment of inventories	177	196
Other	385	186
Total non-operating expenses	2,188	1,888
Ordinary income	1,161	2,034
Extraordinary income		
Gain on sales of noncurrent assets	16	12
Gain on sales of investment securities	-	256
Reversal of allowance for doubtful accounts	5	-
Other	-	0
Total extraordinary income	21	269
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	81	36
Loss on valuation of investment securities	602	6
Loss on valuation of stocks of subsidiaries and affiliates	-	632
Loss on adjustment for changes of accounting standard for asset retirement obligations	121	-
Loss on disaster	469	2
Cost of measures for product recall	23	37
Other	-	0
Total extraordinary losses	1,298	715

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Income (loss) before income taxes	(114)	1,588
Income taxes-current	23	22
Income taxes-deferred	292	(282)
Total income taxes	316	(260)
<b>Net income (loss)</b>	<b>(430)</b>	<b>1,848</b>

**(3) Non-consolidated Statements of Changes in Net Assets**

(millions of yen)

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
<b>Shareholders' Equity</b>		
<b>Capital Stock</b>		
Balance at the beginning of period	23,344	23,344
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of period	23,344	23,344
<b>Capital Surplus</b>		
Legal capital surplus		
Balance at the beginning of period	11,554	11,554
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of period	11,554	11,554
Other capital surplus		
Balance at the beginning of period	2,450	2,450
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of period	2,450	2,450
Total capital surplus		
Balance at the beginning of period	14,004	14,004
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of period	14,004	14,004
<b>Retained Earnings</b>		
Other retained earnings		
Retained earnings brought forward		
Balance at the beginning of period	1,916	1,487
Changes of items during the period		
Net income (loss)	(430)	1,848
Reversal of revaluation reserve for land	2	-
Total changes of items during the period	(428)	1,848
Balance at the end of period	1,487	3,336
Total retained earnings		
Balance at the beginning of period	1,916	1,487
Changes of items during the period		
Net income (loss)	(430)	1,848
Reversal of revaluation reserve for land	2	-

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Total changes of items during the period	(428)	1,848
Balance at the end of period	1,487	3,336
<b>Treasury Stock</b>		
Balance at the beginning of period	(13)	(19)
Changes of items during the period		
Purchase of treasury stock	(6)	(3)
Total changes of items during the period	(6)	(3)
Balance at the end of period	(19)	(22)
<b>Total Shareholders' Equity</b>		
Balance at the beginning of period	39,252	38,817
Changes of items during the period		
Net income (loss)	(430)	1,848
Purchase of treasury stock	(6)	(3)
Reversal of revaluation reserve for land	2	-
Total changes of items during the period	(435)	1,845
Balance at the end of period	38,817	40,663
<b>Valuation and Translation Adjustments</b>		
Valuation Difference on Available-for-sale Securities		
Balance at the beginning of period	373	345
Changes of items during the period		
Net changes in items other than shareholders' equity	(27)	(96)
Total changes of items during the period	(27)	(96)
Balance at the end of period	345	249
Deferred gains or losses on hedges		
Balance at the beginning of period	-	-
Changes of items during the period		
Net changes in items other than shareholders' equity	-	3
Total changes of items during the period	-	3
Balance at the end of period	-	3
Revaluation Reserve for Land		
Balance at the beginning of period	10,869	10,867
Changes of items during the period		
Net changes in items other than shareholders' equity	(2)	949
Total changes of items during the period	(2)	949
Balance at the end of period	10,867	11,816
<b>Total Valuation and Translation Adjustments</b>		
Balance at the beginning of period	11,243	11,212

	<b>FY2011</b> (Apr. 1, 2010- Mar. 31, 2011)	<b>FY2012</b> (Apr. 1, 2011- Mar. 31, 2012)
Changes of items during the period		
Net changes in items other than shareholders' equity	(30)	856
Total changes of items during the period	(30)	856
Balance at the end of period	11,212	12,069
<b>Total Net Assets</b>		
Balance at the beginning of period	50,495	50,030
Changes of items during the period		
Net income (loss)	(430)	1,848
Purchase of treasury stock	(6)	(3)
Reversal of revaluation reserve for land	2	-
Net changes in items other than shareholders' equity	(30)	856
Total changes of items during the period	(465)	2,701
Balance at the end of period	50,030	52,732



#### (4) Notes Regarding the Going Concern Assumption

Not applicable

### **6. Others**

#### (1) Production, Orders & Sales

##### 1) Production results per product-type

(millions of yen)

Product-type	FY2011 (Apr. 1, 2010-Mar. 31, 2011)	FY2012 (Apr. 1, 2011-Mar. 31, 2012)	Change from previous period
Cultivating & mowing machinery	41,475	42,412	937
Planting machinery	14,535	19,818	5,283
Harvesting and processing machinery	29,033	25,240	(3,792)
Parts and farming implements	2,329	2,555	226
Other agriculture related business	9,811	5,735	(4,075)
Agriculture-related business total	97,185	95,763	(1,421)
Other business total	-	-	-
Total	97,185	95,763	(1,421)

Note: Figures are shown in terms of sales values.

##### 2) Orders

We operate a system whereby production is based mostly on projected demand. We hardly ever produce on order.

### 3) Sales results per product-type

#### (a) Total

(millions of yen)

Product-type		FY2011 (Apr. 1, 2010-Mar. 31, 2011)		FY2012 (Apr. 1, 2011-Mar. 31, 2012)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	39,775	26.9	40,551	27.9	775	2.0
	Planting machinery	14,089	9.6	15,547	10.7	1,458	10.4
	Harvesting and processing machinery	27,097	18.3	27,115	18.7	18	0.1
	Parts and farming implements	32,089	21.7	31,491	21.7	(598)	(1.9)
	Other agriculture related business	34,631	23.4	30,418	20.9	(4,212)	(12.2)
	Agriculture-related business total	147,682	99.9	145,125	99.9	(2,557)	(1.7)
	Other business total	144	0.1	127	0.1	(16)	(11.7)
	Total	147,826	100	145,252	100	(2,574)	(1.7)

#### (b) Domestic

(millions of yen)

Product-type		FY2011 (Apr. 1, 2010-Mar. 31, 2011)		FY2012 (Apr. 1, 2011-Mar. 31, 2012)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	26,681	20.7	27,434	22.2	752	2.8
	Planting machinery	11,567	9.0	10,385	8.4	(1,182)	(10.2)
	Harvesting and processing machinery	25,505	19.8	25,928	20.9	422	1.7
	Parts and farming implements	30,993	24.1	30,465	24.6	(527)	(1.7)
	Other agriculture related business	33,811	26.3	29,518	23.8	(4,293)	(12.7)
	Agriculture-related business total	128,559	99.9	123,731	99.9	(4,827)	(3.8)
	Other business total	144	0.1	127	0.1	(16)	(11.7)
	Total	128,703	100	123,859	100	(4,844)	(3.8)

## (c) Overseas

(millions of yen)

Product-type		FY2011 (Apr. 1, 2010-Mar. 31, 2011)		FY2012 (Apr. 1, 2011-Mar. 31, 2012)		Change from previous period	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
	Cultivating & mowing machinery	13,093	68.5	13,116	61.3	23	0.2
	Planting machinery	2,521	13.2	5,162	24.1	2,640	104.7
	Harvesting and processing machinery	1,591	8.3	1,187	5.6	(404)	(25.4)
	Parts and farming implements	1,096	5.7	1,025	4.8	(70)	(6.5)
	Other agriculture related business	819	4.3	900	4.2	81	9.9
	Agriculture-related business total	19,123	100.0	21,393	100.0	2,270	11.9
	Other business total	-	-	-	-	-	-
	Total	19,123	100	21,393	100	2,270	11.9

**(2) Change of Directors (As of June 26, 2012)**

Change of Directors was disclosed by the “Notice on Change of Representative Directors, Change of Officers, etc. and Organizational Change,” dated March 15, 2012.