



May 14, 2015

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Notice on the differences between the forecast and business performance results for the fiscal year ended March 31, 2015

We would like to promulgate the fact that difference has occurred between the consolidated business performance forecast for the fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015) announced on February 6, 2015 and actual results of the settlement announced today.

1. The difference between forecast of consolidated business performance for the fiscal year ended March 31, 2015 and actual results

(April 1, 2014 to March 31, 2015)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
Previous Forecast (A)	158,000	1,000	1,800	900	6.57
Latest Forecast (B)	157,417	(535)	499	(319)	(1.40)
Difference (B-A)	(583)	(1,535)	(1,301)	(1,219)	
Rate of Change (%)	(0.4)	-	(72.3)	-	
(Ref.) Results for FY Mar./14	169,129	7,371	8,285	6,447	28.06

3. Reasons for the Variance

1) Net Sales: Decreased ¥0.6 billion from the forecast to ¥157.4 billion.

- Domestic sales decreased ¥0.4 billion from the forecast to ¥131.9 billion. While sales of agricultural machinery were in line with the forecast, farming implements and parts caused the decrease of ¥0.4 billion from the forecast.
- Overseas sales decreased ¥0.2 billion from the forecast to ¥25.7 billion. With regard to sales by area, sales in North America decreased ¥0.3 billion. Sales in Europe increased ¥0.2 billion and sales in the rest of Asia increased ¥0.1 billion. Product sales in total remained in line with the forecast. Sales of parts decreased ¥0.2 billion.

2) Operating income: Decreased ¥1.5 billion from the forecast to minus ¥0.5 billion.

- Operating income was ¥1.5 billion short of the forecast due mainly to a decrease in gross profit resulting from the recognition of unrealized income associated with the larger-than-expected fall in the agricultural machinery in Japan during the weak demand period from January to March, as well as the decreased sales of related farming implements and parts.

3) Ordinary income: Decreased ¥1.3 billion from the forecast to ¥0.5 billion.

Net income: Decreased ¥1.2 billion from the forecast to minus ¥0.3 billion.

- Ordinary income decreased ¥1.3 billion from the forecast due mainly to ¥1.5 billion decrease in operating income, in spite of foreign exchange losses/gains which remained almost in line with the forecast and favorable turn of non-operating income by ¥0.2 billion.
- Net income decreased ¥1.2 billion from the forecast due mainly to appropriation of surcharge payment (¥0.3 billion) based on the order from the Japan Fair Trade Commission related to bidding for facility construction works, while there was an extraordinary income of ¥0.2 billion.