



August 6, 2015

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 Supplementary Information for Quarterly Financial Results: Yes
 Quarterly Financial Results Briefing: Yes (for institutional investors and analysts)

**Summary Announcement of Consolidated Financial Results
for the Three Months Ended June 30, 2015 (Japanese GAAP)**

I. Financial Results for the Three Months Ended June 30, 2015 (April 1, 2015 – June 30, 2015)

A. Results of Operations

(Rounded down to a million yen, % indicates changes from the previous period)

	Three Months Ended June 30, 2015	%	Three Months Ended June 30, 2014	%
Net Sales	34,214	(30.5)	49,222	41.4
Operating Income	267	(86.5)	1,975	114.4
Ordinary Income	397	(78.0)	1,806	38.3
Profit Attributable to Owners of Parent	134	(89.2)	1,248	(20.4)
Profit per Share (yen)				
Non-diluted	0.60		5.44	
Fully Diluted	0.60		—	

Note: Comprehensive income
 Three months ended June 30, 2015: ¥177 mil. (-85.8%)
 Three months ended June 30, 2014: ¥1,246 mil. (-41.1%)

B. Financial Position

(Rounded down to a million yen)

	As of June 30, 2015	As of March 31, 2015
Total Assets	212,731	204,138
Net Assets	70,587	71,065
Shareholders' Equity to Total Assets Ratio (%)	32.4	34.0
Net Assets per Share (yen)	304.96	307.11

Reference: Shareholders' equity
 As of June 30, 2015: ¥68,887 mil.
 As of March 31, 2015: ¥69,372 mil.

II. Dividends

(Yen)

	Dividend per Share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
Year Ended March 31, 2015	—	—	—	3.00	3.00
Year Ending December 31, 2015	—				
Year Ending December 31, 2015 (Forecast)		—	—	3.00	3.00

Note: Revision of the most recently announced dividend forecast: None

III. Forecast for the Fiscal Year Ending December 31, 2015 (April 1, 2015 – December 31, 2015)

(Rounded down to a million yen, % indicates changes from the previous same period)

	Net Sales	%	Operating Income	%	Ordinary Income	%	Profit Attributable to Owners of Parent	%	Profit per Share (yen)
First Half	78,000	(5.4)	1,800	71.7	1,700	14.4	900	(32.9)	3.98
Full Year	152,000	—	3,900	—	3,700	—	2,100	—	9.30

Note: Revision of the most recently announced performance forecast: None

As the partial revision of the Articles of Incorporation was approved at the general meeting of shareholders held on June 24, 2015, the fiscal year of the Company, currently from April 1 to March 31 of the following year, was changed to the period from January 1 to December 31 effective as of fiscal 2015. As a transitional treatment, subsidiaries which adopt a fiscal year starting April 1 and ending March 31 of the following year, the nine-month results (April 1, 2015 to December 31, 2015) will be included in the consolidated results for the year ending December 31, 2015.

For subsidiaries which adopt a fiscal year starting January 1 and ending December 31, the twelve-month results (January 1, 2015 to December 31, 2015) will be included in the consolidated results, as in the past. Because year-on-year comparisons are impossible, percentage changes year on year are left blank.

* Notes

- A Changes in important subsidiaries during the period (change in specified subsidiaries which accompanies a change in the range of consolidation): None
- B Adoption of unique accounting method for preparing the quarterly consolidated financial statements: None
- C Change in accounting policy, change in accounting estimates and restatements
- 1) Change in accounting policy in response to revision of accounting standards: Yes
 - 2) Change in accounting policy other than 1): None
 - 3) Change in accounting estimates: None
 - 4) Restatements: None

Note: For details, please refer to “2. Matters Concerning Summary Information (Notes) (2) Change in Accounting Policy, Change in Accounting Estimates and Restatements” on page 3 of the supplementary material.

D Outstanding shares (common shares)

1) Outstanding shares (including treasury shares)	As of June 30, 2015	229,849,936 shares
	As of March 31, 2015	229,849,936 shares
2) Outstanding treasury shares	As of June 30, 2015	3,961,537 shares
	As of March 31, 2015	3,959,147 shares
3) Average number of shares during the period		
	Three months ended June 30, 2015	225,889,620 shares
	Three months ended June 30, 2014	229,732,186 shares

* Statement regarding the implementation of the quarterly review procedure

Although the summary of quarterly financial results is exempted from the quarterly review procedure required under the Financial Instruments and Exchange Act, we have completed the review procedure of the financial statements at the time of disclosure.

* Statement regarding the proper use of financial performance forecast and other notes

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 “1. Qualitative Information Regarding Financial Results for the Period” on page 2 of the supplementary material for the assumptions underlying the forecast and precautions when using the forecast.

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1. Qualitative Information Regarding Financial Results for the Period

(1) Explanation Regarding Business Performance

During the three months ended June 30, 2015, the Japanese economy showed modest recovery in general, supported by the favorable impact of the depreciating yen on companies engaged in export, and by a rise in the number of foreign tourists. On the other hand, some uncertainties remained in the world economy, with the possibility of the U.S. pulling back quantitative monetary easing measures, and political instability in the European region, including the financial crisis in Greece.

Under such circumstances, the ISEKI Group continued its efforts to increase sales volume in Japan, launching new products and enhancing customer service, while it endeavored to expand sales overseas by introducing new products in North America and Europe and by strengthening marketing in China and the ASEAN region. As a result, the Group's business performance can be summarized as follows.

During the three months ended June 30, 2015, net sales decreased ¥15,008 million from the same period last year to ¥34,214 million (down 30.5%). Domestic sales decreased ¥16,965 million to ¥26,516 million (down 39.0%) mainly as a result of the decrease in sales of agricultural machinery and farming implements. This decrease was affected by the negative rebound experienced by our sales companies (which adopt December annual account settlement) in the period from January to March, which is usually a low demand period, in the wake of the last-minute surge in demand before the rise in the consumption tax rate in the same period last year. Overseas sales increased ¥1,957 million to ¥7,698 million (up 34.1%) mainly supported by strong orders from North America and Europe.

Operating income decreased ¥1,707 million from the same period last year to ¥267 million (down 86.5%) due to lower gross income resulting from decreased sales. Ordinary income decreased ¥1,409 million to ¥397 million (down 78.0%). Profit attributable to owners of parent decreased ¥1,114 million to ¥134 million (down 89.2%).

Sales by product are as follows.

[Domestic]

Sales of cultivating & mowing machinery (tractors, high-clearance multipurpose vehicles, etc.) were ¥7,259 million (down 37.3% from the same period last year), and sales of planting machinery (rice transplanters and vegetable transplanters) were ¥2,623 million (down 26.5%). Sales of harvesting and processing machinery (combine harvesters, etc.) were ¥2,962 million (down 55.8%). Sales of spare parts and farming implements were ¥6,442 million (down 37.7%). Sales of other agriculture-related business (construction of facilities, etc.) were ¥7,228 million (down 35.9%).

[Overseas]

Sales of cultivating & mowing machinery (tractors, etc.) were ¥6,732 million (up 50.6% from the same period last year), and sales of planting machinery (rice transplanters, etc.) were ¥153 million (down 73.1%). Sales of harvesting and processing machinery (combine harvesters, etc.) were ¥126 million (up 24.0%). Sales of spare parts and farming implements were ¥543 million (up 34.7%). Sales of other agriculture-related business were ¥143 million (down 25.7%).

(2) Explanation Regarding Financial Position

Total assets as of June 30, 2015 increased ¥8,593 million from March 31, 2015 to ¥212,731 million. Looking at the breakdown, current assets increased ¥8,001 million and non-current assets increased ¥591 million. The changes mainly resulted from a ¥1,559 million increase in cash and deposits, a ¥5,636 million increase in notes and accounts receivable-trade, a ¥3,069 million increase in inventories, and a ¥2,212 million decrease in other under current assets. Total liabilities increased ¥9,071 million from March 31, 2015 to ¥142,144 million. The change was primarily due to a ¥2,257 million decrease in notes and accounts payable-trade and a ¥3,984 million increase in electronically recorded obligations-operating, a ¥9,981 million increase in short-term and long-term loans payable, and a ¥2,646 million decrease in other under current liabilities. Net assets decreased ¥478 million from March 31, 2015 to ¥70,587 million, mainly due to the recording of ¥134 million in profit attributable to owners of parent and ¥677 million in dividends of surplus.

(3) Explanation Regarding Forward-looking Statements Including Consolidated Performance Forecast

Although sales overseas were strong, consolidated sales and profits for the three months ended June 30, 2015 decreased from the same period last year due to a decrease in sales in Japan. This was because sales by our sales companies significantly increased last year linked to last-minute demand before the rise in the consumption tax rate. In and after April 2015, sales by our sales companies in Japan recovered from the weak sales in the same period last year because demand for our products grew during this period.

Going forward, under the Iseki Group slogan “Supporting the full of dreams farming industry,” we will strive to expand sales by implementing a 90th anniversary sales campaign and promotional activities. We will also address changes in the agriculture environment and strengthen our customer support capabilities, through providing high-quality market information services and making proposals that match our customers’ agricultural business management. In overseas markets, we will focus on expanding the sales of strategic products introduced in North America, Europe, China and major markets in the ASEAN region. Sales expansion in overseas markets will be driven by ISEKI France S.A.S, which became a subsidiary last year, Dongfeng Iseki Agricultural Machinery Co., Ltd., an affiliate accounted for by the equity method, and other overseas affiliates.

We reviewed the results of the first quarter (three months ended June 30, 2015) and the forecasts for the remainder of the year. As a result of this review, no revision was made to the consolidated performance forecasts for the first half and the full year of this fiscal year announced with the annual financial results on May 14, 2015.

There is no revision to the exchange rate used for these forecasts, i.e., ¥115/U.S. dollar and ¥130/Euro.

2. Matters Concerning Summary Information (Notes)

(1) Changes in Important Subsidiaries during the Period

Not applicable

(2) Change in Accounting Policy, Change in Accounting Estimates and Restatements

Starting from April 1, 2015, the Company adopted the Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013, hereinafter referred to as the “Accounting Standard for Business Combinations”), the Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013, hereinafter “Accounting Standard for Consolidated Financial Statements”), the Revised Accounting Standard for Business Divestitures (ASBJ Statement No.7, September 13, 2013, hereinafter “Accounting Standard for Business Divestitures”) and other accounting standards. To comply with these standards, the Company changed the accounting treatment to record the amount arising from a change in equity in subsidiaries accounted for using the equity method as capital surplus where the Company has been continuously the controlling entity, and to record the costs associated with such acquisition as expenses for the year in which the acquisition was made. For all the business combinations that will be implemented from April 1, 2015, the method to allocate acquisition costs has changed; i.e., allocation of acquisition costs determined based on a provisional accounting treatment will be reviewed and reflected in the consolidated financial statements for the quarter in which the business combination was implemented. In addition, the presentation of net income and other related items was changed. The item previously presented as minority interests was also changed, to non-controlling interests. In order to reflect these changes with regard to the three months of the previous fiscal year and the full previous fiscal year, the consolidated financial statements have been restated.

From April 1, 2015, the Company conformed with the transitional treatments stipulated in Article 58-2 (4) of the Accounting Standard for Business Combinations, Article 44-5 (4) of the Accounting Standard for Consolidated Financial Statements and Article 57-4 (4) in the Accounting Standard for Business Divestitures to eventually fully adopt the Accounting Standard for Business Combinations. The financial statements for the first quarter of fiscal 2015 were not affected by any of these changes.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY ended March 31, 2015 (as of Mar. 31, 2015)	1Q of FY ending December 31, 2015 (as of Jun. 30, 2015)
Assets		
Current assets		
Cash and deposits	6,603	8,162
Notes and accounts receivable-trade	30,404	36,040
Merchandise and finished goods	42,554	43,843
Work in process	3,679	5,748
Raw materials and supplies	1,478	1,190
Other	7,222	5,010
Allowance for doubtful accounts	(91)	(142)
Total current assets	91,851	99,852
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,224	20,363
Land	50,395	50,602
Other, net	22,372	22,617
Total property, plant and equipment	92,992	93,584
Intangible assets	1,105	1,104
Investments and other assets		
Investment securities	9,495	9,597
Other	9,129	8,941
Allowance for doubtful accounts	(436)	(348)
Total investments and other assets	18,189	18,190
Total non-current assets	112,287	112,879
Total assets	204,138	212,731

(Millions of yen)

	FY ended March 31, 2015 (as of Mar. 31, 2015)	1Q of FY ending December 31, 2015 (as of Jun. 30, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	36,935	34,678
Electronically recorded obligations-operating	1,778	5,763
Short-term loans payable	25,134	35,133
Current portion of long-term loans payable	13,941	14,233
Income taxes payable	776	293
Provision for bonuses	322	1,169
Other	13,799	11,152
Total current liabilities	92,689	102,424
Non-current liabilities		
Long-term loans payable	18,520	18,211
Deferred tax liabilities for land revaluation	6,074	6,074
Provision for directors' retirement benefits	125	111
Net defined benefit liability	5,298	5,065
Asset retirement obligations	266	267
Other	10,097	9,988
Total non-current liabilities	40,383	39,719
Total liabilities	133,073	142,144
Net assets		
Shareholders' equity		
Capital stock	23,344	23,344
Capital surplus	13,454	13,454
Retained earnings	15,658	15,115
Treasury shares	(986)	(987)
Total shareholders' equity	51,470	50,926
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,979	3,189
Revaluation reserve for land	12,401	12,401
Foreign currency translation adjustment	1,771	1,625
Remeasurements of defined benefit plans	750	744
Total accumulated other comprehensive income	17,902	17,961
Subscription rights to shares	68	91
Non-controlling interests	1,624	1,608
Total net assets	71,065	70,587
Total liabilities and net assets	204,138	212,731

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

Consolidated Statements of Income

For the Three Months Ended June 30, 2014 and 2015

(Millions of yen)

	1Q of FY ended March 31, 2015 (Apr. 1, 2014- Jun. 30, 2014)	1Q of FY ending December 31, 2015 (Apr. 1, 2015- Jun. 30, 2015)
Net sales	49,222	34,214
Cost of sales	35,898	22,811
Gross profit	13,324	11,403
Selling, general and administrative expenses	11,349	11,136
Operating income	1,975	267
Non-operating income		
Interest income	52	34
Dividend income	81	125
Foreign exchange gains	—	156
Other	223	192
Total non-operating income	358	509
Non-operating expenses		
Interest expenses	186	200
Share of loss of entities accounted for using equity method	58	82
Foreign exchange losses	179	—
Other	102	95
Total non-operating expenses	526	379
Ordinary income	1,806	397
Extraordinary income		
Gain on sales of non-current assets	7	11
Gain on change in equity	589	—
Compensation income	6	6
Gain on sales of investment securities	—	213
Total extraordinary income	603	232
Extraordinary losses		
Loss on sales and retirement of non-current assets	39	37
Other	7	—
Total extraordinary losses	47	37
Income before income taxes	2,363	591
Income taxes-current	1,343	239
Income taxes-deferred	(257)	236
Total income taxes	1,086	475
Profit	1,276	116
Profit (loss) attributable to non-controlling interests	28	(17)
Profit attributable to owners of parent	1,248	134

Consolidated Statements of Comprehensive Income
For the Three Months Ended June 30, 2014 and 2015

(Millions of yen)

	1Q of FY ended March 31, 2015 (Apr. 1, 2014- Jun. 30, 2014)	1Q of FY ending December 31, 2015 (Apr. 1, 2015- Jun. 30, 2015)
Profit	1,276	116
Other comprehensive income		
Valuation difference on available-for-sale securities	156	211
Foreign currency translation adjustment	(425)	(150)
Remeasurements of defined benefit plans, net of tax	263	(5)
Share of other comprehensive income of entities accounted for using equity method	(25)	5
Total other comprehensive income	(30)	60
Comprehensive income	1,246	177
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,218	193
Comprehensive income attributable to non-controlling interests	27	(16)

(3) Notes Regarding Consolidated Financial Statements

Notes Regarding the Going Concern Assumption

Not applicable

Notes Regarding Significant Changes in Shareholders' Equity

Not applicable