

Financial Results for the Fiscal Year Ended December 31, 2024

Investor Relations Presentation Materials



ISEKI
ISEKI & CO., LTD.

February 17, 2025
ISEKI & CO., LTD.



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Key Points

<Financial Results for the FY Ended Dec. 2024>

Both sales and profits were almost in line with the announced forecast despite lower sales and operating income year on year

[YoY change]

Overseas: Maintained high performance in Europe
Lower sales in North America and Asia

Domestic: Sales of agricultural machinery currently improving due in part to rising rice prices despite demand remaining sluggish
Maintenance revenues grew, which are a pillar in reform of revenue and cost structure

Profits: Decline in operating income due to higher SG&A expenses including effect of FOREX fluctuations
Net loss due to impairment losses associated with structural reform

<Forecast for the FY Ending Dec. 2025>

Both sales and operating income will increase year on year

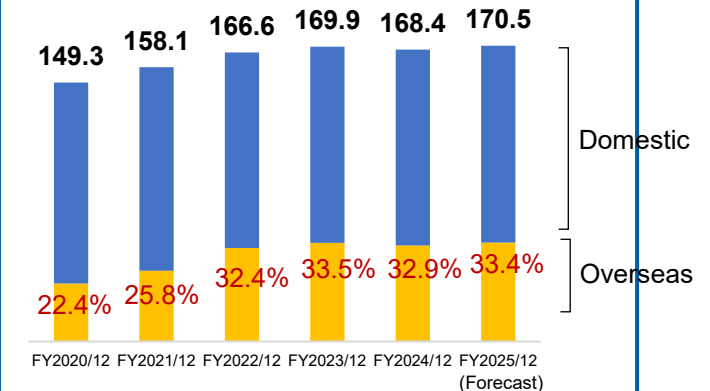
Net sales: Overseas, high performance will be maintained in Europe, sales will increase in North America and Asia

Domestic, sales will increase by concentrating management resources in the growth areas and strengthening sales

Profits: Operating income will increase due to higher sales and partial effect of Project Z, but profit growth will be limited due to temporary expenses

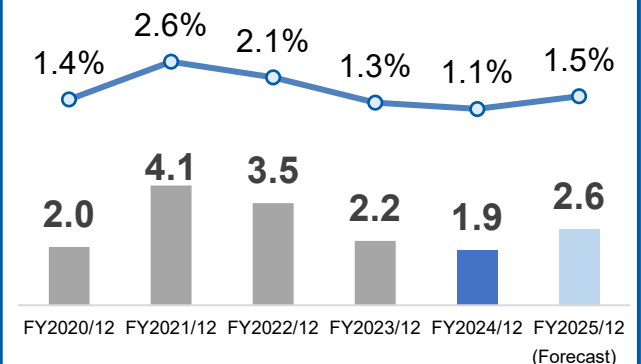
Trends in Net Sales

(JPY bn, %)



Operating Income, Ratio

(JPY bn, %)



1 . Outline of Financial Results for the Fiscal Year Ended December 31, 2024

Outline of Consolidated Business Performance

(JPY bn,%) (January 1, 2024 to December 31, 2024)		FY2020/12	FY2021/12	FY2022/12	FY2023/12	FY2024/12		
		Actual	Actual	Actual	Actual	Actual	YoY Change	Diff. (Target /Actual)*
Net Sales		149.3	158.1	166.6	169.9	168.4	(1.4)	(1.5)
	(Domestic)	115.9	117.3	112.6	113.0	113.0	(0.0)	(1.9)
	(Overseas)	33.3	40.7	53.9	56.8	55.3	(1.4)	0.3
Gross Profit		43.4	46.8	49.8	50.3	50.6	0.2	
Gross Profit Margin		29.1%	29.6%	29.9%	29.6%	30.1%	0.5%	
Operating Income		2.0	4.1	3.5	2.2	1.9	(0.3)	(0.0)
Operating Margin		1.4%	2.6%	2.1%	1.3%	1.1%	(0.2)%	(0.0)%
Ordinary Income		1.7	4.6	3.7	2.0	1.5	(0.5)	0.5
Profit (Loss) Attributable to Owners of Parent		(5.6)	3.1	4.1	0.0	(3.0)	(3.0)	0.0
Average Exchange Rate (JPY)	US\$	107.0	109.0	131.3	139.4	151.0	11.5	0.6
	Euro	121.5	129.8	136.9	148.6	162.5	13.9	(0.1)

※Difference from the forecast announced on 18th July 2024
 (The average exchange rate is being reviewed on November 14)

Domestic Sales

(JPY bn)			FY2020/12	FY2021/12	FY2022/12	FY2023/12	FY2024/12		
			Actual	Actual	Actual	Actual	Actual	YoY Change	Diff. (Target/ Actual)
Agricultural Machinery Related	Agricultural Machinery	Cultivating & Mowing Machinery	22.8	23.9	22.9	22.0	21.2	(0.8)	
		Planting Machinery	8.8	9.0	7.9	7.2	6.5	(0.6)	
		Harvesting & Processing Machinery	16.8	16.6	16.0	15.7	16.3	0.6	
		Subtotal	48.6	49.6	46.9	45.0	44.1	(0.8)	(1.8)
		Farming Implements	20.4	22.0	20.5	20.4	21.0	0.6	0.0
		Spare Parts	15.6	15.3	15.6	16.0	16.9	0.9	0.5
		Repair Fees	5.8	5.9	5.8	6.0	6.2	0.2	(0.0)
		Subtotal	42.0	43.3	42.0	42.5	44.2	1.7	0.5
	Total		90.6	93.0	88.9	87.5	88.4	0.8	(1.2)
	Construction of Facilities		6.1	4.2	4.3	5.5	4.1	(1.3)	(1.1)
	Others		19.1	20.1	19.3	19.9	20.4	0.4	0.4
Total		115.9	117.3	112.6	113.0	113.0	(0.0)	(1.9)	

Main factors of YoY changes

- Sales of agricultural machinery currently improving due in part to rising rice prices despite demand remaining sluggish
- Maintenance revenues grew, which are a pillar in reform of revenue and cost structure

Agricultural machinery:

Slight decrease for full-year despite a decrease in 1Q due to weak demand
 Since mid-year, rising rice prices partially offset the decrease in sales

Farming implements/spare parts/repair fees: (Maintenance revenues)

Sales continue to increase

Construction of facilities:

Sales declined due to absence of large facility projects in the period

Overseas Sales

(JPY bn, %)	FY2020/12	FY2021/12	FY2022/12	FY2023/12	FY2024/12	YoY Change	Diff. (Target/ Actual)
	Actual	Actual	Actual	Actual	Actual		
North America	12.8	15.1	19.5	14.2	11.2	(3.0)	(4.7)
Europe	13.9	15.9	25.1	33.2	38.5	5.2	6.5
Asia	6.2	9.1	8.6	8.1	4.9	(3.1)	(1.4)
Others	0.3	0.5	0.6	1.1	0.5	(0.5)	(0.0)
Total sales	33.3	40.7	53.9	56.8	55.3	(1.4)	0.3

Overseas sales ratio	22.4%	25.8%	32.4%	33.5%	32.9%	(0.6)%	0.4%
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Main factors of YoY changes

- Maintained high performance in Europe
- Sales declined in North America and Asia

North America:

Compact tractors market was weak

Europe:

Sales of landscaping products were strong

Sales of purchased products (electric products) increased significantly

Asia:

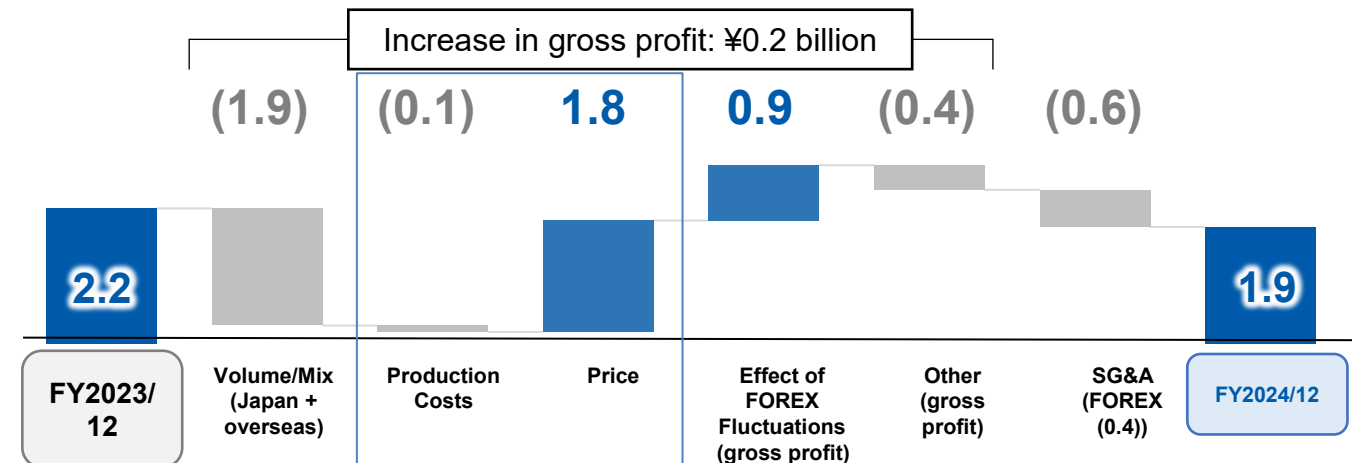
Weakening demand in ASEAN

Inventories were adjusted in Korea

Operating Income

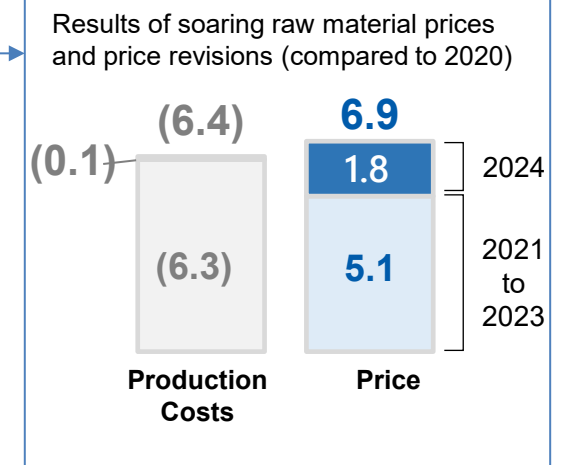
- Gross profit increased due to price revision effect, despite the impact of lower sales and production
- SG&A expenses increased due to foreign currency translation effects

[Breakdown of YoY Change (JPY bn)]



[Effect of FOREX Fluctuations (impact of income/losses, JPY bn)]

Net Sales	Cost of Sales	SG&A Expenses	Operating Income
2.5	(1.6)	(0.4)	0.4



(JPY bn, %)	FY2023/12 Actual	FY2024/12 Actual	YoY Change
Net Sales	169.9	168.4	(1.4)
Gross Profit	50.3	50.6	0.2
Gross Profit Margin	29.6%	30.1%	0.5%
SG&A Expenses	48.1	48.7	0.6
Personnel Expenses	27.8	27.6	(0.2)
Other Expenses	20.2	21.0	0.8
Operating Income	2.2	1.9	(0.3)
Operating Margin	1.3%	1.1%	(0.2)%

Ordinary Income & Profit

- Net loss as extraordinary losses associated with Project Z structural reforms were recognized

(JPY bn)	FY2020/12 Actual	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	FY2024/12 Actual	YoY Change
Operating Income	2.0	4.1	3.5	2.2	1.9	(0.3)
Balance of Financial Income	(0.6)	(0.6)	(0.7)	(1.4)	(1.4)	0.0
Balance of other Non-Operating Income	0.3	1.1	0.9	1.3	1.0	(0.2)
Ordinary Income	1.7	4.6	3.7	2.0	1.5	(0.5)
Extraordinary Income	0.6	0.0	3.3	0.0	0.1	0.0
Extraordinary Losses	(9.4)	(0.4)	(1.9)	(0.2)	(3.2)	(2.9)
Income Before Income Taxes	(7.1)	4.3	5.2	1.9	(1.5)	(3.4)
Income Taxes-Deferred	1.4	(1.1)	(1.1)	(1.8)	(1.4)	0.3
Profit (loss) Attributable to Owners of Parent	(5.6)	3.1	4.1	0.0	(3.0)	(3.0)

[Main Components of Other Non-operating Income]

(JPY bn)	FY2023/12 Actual	FY2024/12 Actual
Foreign exchange gains	0.9	0.7
Share of loss of entities accounted for using equity method	(0.5)	(0.8)

[Main Components of Extraordinary Income/Losses]

(JPY bn)	FY2023/12 Actual	FY2024/12 Actual
Impairment losses on non-current assets	(0.0)	(2.3)
Business structural* reforms expenses	—	(0.6)

*Extra retirement payments and other expenses, and expenses associated with discontinuation of production at ISEKI M&D (Kumamoto) Co., Ltd.

Non-Consolidated Financial Results

- Lower sales in Japan and overseas due to restrained production and shipments in order to reduce inventory
- Dividend income increased (special dividends from sales subsidiaries: press release dated November 14, 2024)

(JPY bn, %)	FY2023/12 Actual	FY2024/12 Actual	YoY Change
Net Sales	97.0	86.2	(10.7)
Domestic	60.3	55.5	(4.8)
Overseas	36.7	30.7	(5.9)
Gross Profit	11.6	10.5	(1.0)
Gross Profit Margin	12.0%	12.3%	0.3%
SG&A Expenses	12.4	12.2	(0.1)
Operating Income	(0.8)	(1.6)	(0.8)
Non-operating Income	1.9	10.4	8.4
Ordinary Income	1.1	8.7	7.5
Extraordinary Income/Losses	0.0	(4.2)	(4.1)
Profit Before Income Taxes	1.1	4.5	3.4
Profit	0.9	4.3	3.3

[Breakdown of YoY Change
(YoY impact of income/losses: JPY bn)]

Other non-operating income	
Dividend income	+8.5
Of which special dividends	8.0

Extraordinary income/losses	
Impairment losses on non-current assets	(0.4)
Loss on valuation of shares of subsidiaries and associates	(3.2)

Balance Sheet

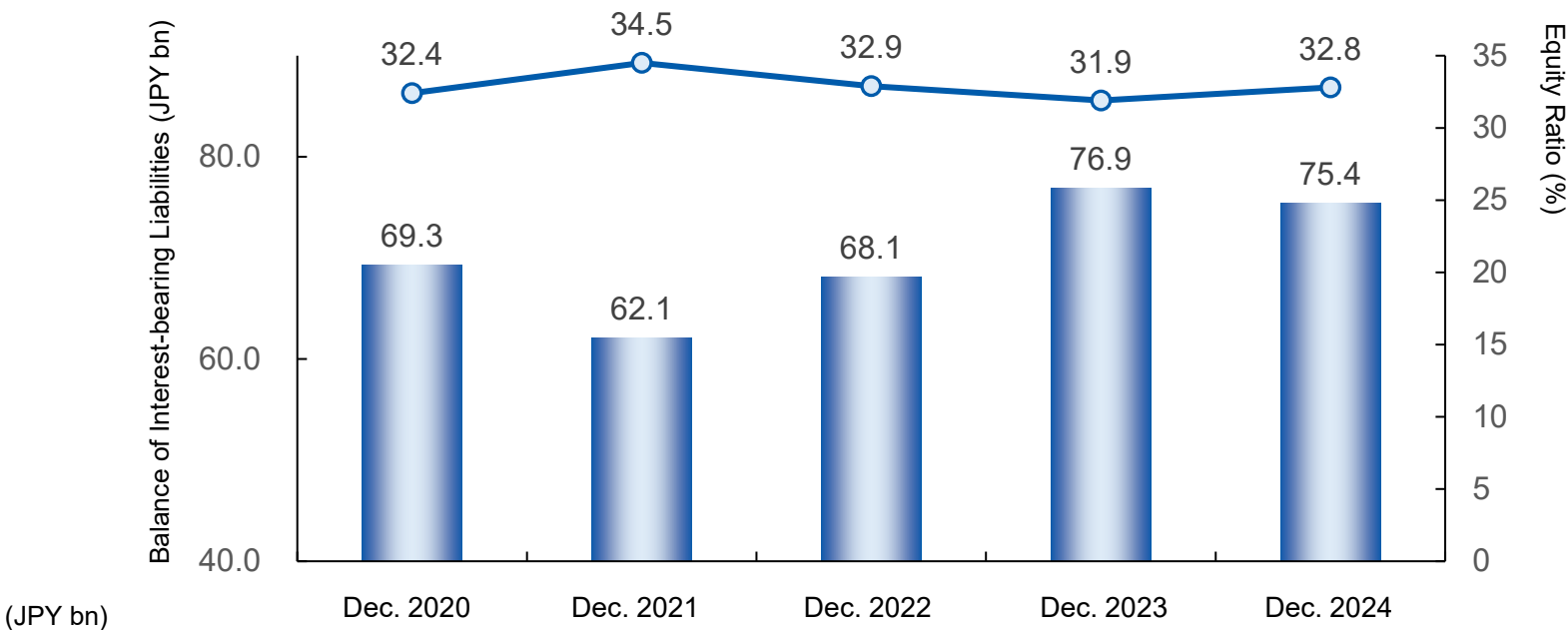
- Total assets decreased due in part to a decrease in inventories and the impact of recording impairment losses on non-current assets
- Retained earnings and net assets decreased due in part to final losses

(JPY bn)	As of Dec. 31, 2023	As of Dec. 31, 2024	Change from Dec. 31, 2023		As of Dec. 31, 2023	As of Dec. 31, 2024	Change from Dec. 31, 2023
Cash & Deposits	9.9	8.2	(1.7)	Accounts Payable-Trade	41.7	25.2	(16.4)
Accounts Receivable-Trade	26.9	25.4	(1.4)	Interest-bearing Liabilities	76.9	75.4	(1.4)
Inventories	72.8	66.9	(5.9)	(Loans Payable)	69.8	68.1	(1.6)
Other Current Assets	5.6	5.0	(0.6)	Accounts Payable-Other	0.5	10.2	9.7
				Other Liabilities	23.7	23.3	(0.4)
Total Current Assets	115.3	105.6	(9.7)	Total Liabilities	142.8	134.2	(8.5)
Property, Plant and Equipment	84.5	81.3	(3.1)	Net Assets	74.2	71.8	(2.3)
Intangible Assets	2.4	2.9	0.4				
Investments and Other Assets	14.7	16.1	1.4	(Retained Earnings)	20.4	16.6	(3.8)
Total Non-current Assets	101.7	100.5	(1.2)				
Total Assets	217.1	206.1	(10.9)	Total Liabilities and Net Assets	217.1	206.1	(10.9)

Interest-bearing Liabilities / Equity Ratio / Dividend

[Interest-bearing liabilities / Equity ratio]

[Dividend]



(JPY)

	FY2023/12 Actual	FY2024/12 Plan
Year-end Dividend	30	30

Loans payable, corporate bonds	61.5	54.9	61.1	69.8	68.1
Lease obligations	7.7	7.2	7.0	7.1	7.3
Interest-bearing liabilities Total	69.3	62.1	68.1	76.9	75.4
Net assets	62.4	66.5	72.3	74.2	71.8
D/E ratio	1.11	0.93	0.94	1.04	1.05

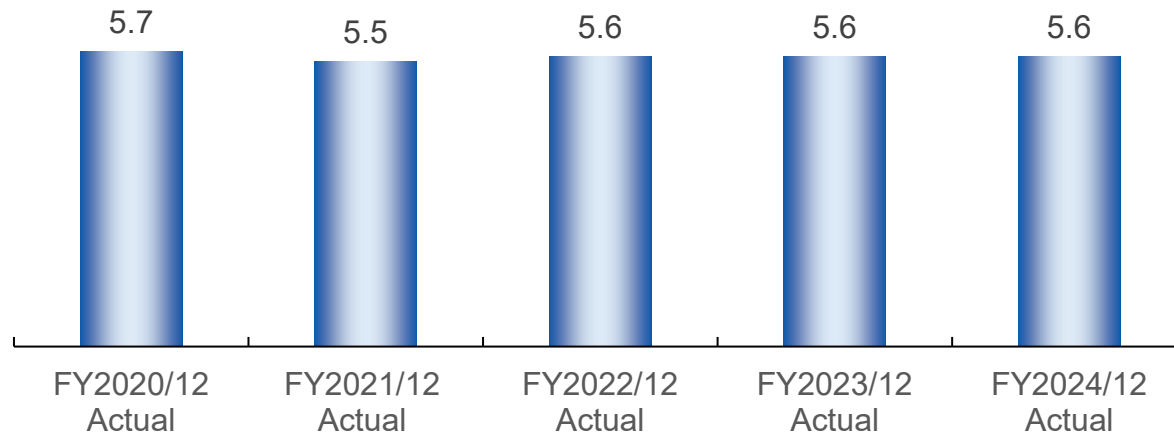
Note: D/E Ratio = Interest-bearing liabilities (incl. Lease obligations) / Net assets

D/E ratio remained flat due to a decrease in net assets, despite a decrease in interest-bearing liabilities

Capital Investment, Depreciation and Research & Development Expenses

[Capital investment (JPY bn)]

* Property, plant and equipment and intangible assets after delivery



[Depreciation, Research & Development Expenses (JPY bn)]

	FY2023/12 Actual	FY2024/12 Actual
Depreciation	5.62	5.43
Research & development expenses	1.39	1.46

(Breakdown)

	FY2023/12	FY2024/12
Sales offices	1.6	1.6
New models, increasing productivity	1.6	1.2
Information technology	0.5	0.3
Other	1.9	2.5
Total	5.6	5.6

Cash Flows

- Cash flows from operating activities returned to positive due to decreased inventories

(JPY bn)	FY2020/12 Actual	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	FY2024/12 Actual	YoY Change
Cash flows from operating activities	9.6	14.2	(3.3)	(2.4)	8.8	11.2
Profit before income taxes	(7.1)	4.3	5.2	1.9	(1.5)	(3.4)
Depreciation	6.9	6.5	6.1	5.6	5.4	(0.1)
Impairment losses, gain on bargain purchase, loss (gain) on step acquisitions, loss (gain) on change in equity	8.6	0.1	(1.5)	0.0	2.3	2.2
Decrease (increase) in trade receivables	(1.8)	0.4	(5.1)	1.2	1.8	0.6
Decrease (increase) in inventories	3.2	2.4	(11.4)	(6.3)	7.4	13.8
Increase (decrease) in trade payables	(0.8)	2.1	5.4	(4.5)	(16.9)	(12.4)
Increase (decrease) in accounts payable-other	(0.1)	0.3	(0.1)	0.0	9.7	9.7
Other, net	0.7	(2.0)	(1.8)	(0.3)	0.5	0.9
Cash flows from investing activities	(5.1)	(2.0)	(2.9)	(5.4)	(5.8)	(0.4)
Purchase of property, plant and equipment and intangible assets	(6.6)	(4.6)	(4.8)	(5.7)	(5.7)	0.0
Free Cash Flow	4.5	12.1	(6.3)	(7.8)	2.9	10.8
Cash flows from financing activities	(2.1)	(8.3)	2.0	6.7	(5.0)	(11.8)
Net increase (decrease) in cash and cash equivalents	2.3	4.0	(4.1)	(0.8)	(1.7)	(0.8)

2. Performance Forecast for the Fiscal Year Ending December 31, 2025

Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2025

- Higher operating income YoY due to higher sales in Japan and overseas
- Year-end dividend: 30 yen per share

(JPY bn, %)		FY2021/12	FY2022/12	FY2023/12		FY2024/12		FY2025/12		YoY Change
		Actual	Actual	Actual	%	Actual	%	Forecast	%	
Net Sales		158.1	166.6	169.9	100.0	168.4	100.0	170.5	100.0	2.0
	(Domestic)	117.3	112.6	113.0	66.5	113.0	67.1	113.5	66.6	0.4
	(Overseas)	40.7	53.9	56.8	33.5	55.3	32.9	57.0	33.4	1.6
Operating income		4.1	3.5	2.2	1.3	1.9	1.1	2.6	1.5	0.6
Ordinary income		4.6	3.7	2.0	1.2	1.5	0.9	1.8	1.1	0.2
Profit (loss) Attributable to Owners of Parent		3.1	4.1	0.0	0.0	(3.0)	-	1.3	0.8	4.3
Average Exchange Rate (JPY)	US\$	109.0	131.3	139.4		151.0		150.0		(1.0)
	Euro	129.8	136.9	148.6		162.5		157.0		(5.5)
Year-end Dividend (JPY)		30	30	30		30		30		-

Domestic Sales

(JPY bn)		FY2021/12	FY2022/12	FY2023/12	FY2024/12	FY2025/12	YoY Change
		Actual	Actual	Actual	Actual	Forecast	
Agricultural Machinery Related	Agricultural Machinery	49.6	46.9	45.0	44.1	44.5	0.3
	Farming Implements/ Spare Parts	37.3	36.1	36.4	38.0	36.8	(1.2)
	Repair Fees	5.9	5.8	6.0	6.2	6.2	(0.0)
	Subtotal	43.3	42.0	42.5	44.2	43.0	(1.2)
	Total	93.0	88.9	87.5	88.4	87.5	(0.9)
Construction of Facilities		4.2	4.3	5.5	4.1	6.0	1.8
Others		20.1	19.3	19.9	20.4	20.0	(0.4)
Total		117.3	112.6	113.0	113.0	113.5	0.4

Main factors of YoY changes

- Higher sales in agricultural machinery and construction of facilities

Agricultural machinery:

Structural downward trend in demand will continue, but the level of rice prices and purchasing appetite are currently recovering
Concentrate management resources in the growth areas and strengthen sales

Construction of facilities:

Improvement in the market conditions

Overseas Sales

(JPY bn, %)	FY2021/12 Actual	FY2022/12 Actual	FY2023/12 Actual	FY2024/12 Actual	FY2025/12 Forecast	YoY Change
North America	15.1	19.5	14.2	11.2	12.5	1.2
Europe	15.9	25.1	33.2	38.5	37.0	(1.5)
Asia	9.1	8.6	8.1	4.9	7.1	2.1
Others	0.5	0.6	1.1	0.5	0.4	(0.1)
Total sales	40.7	53.9	56.8	55.3	57.0	1.6

Overseas sales ratio	25.8%	32.4%	33.5%	32.9%	33.4%	0.5%
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Main factors of YoY changes

- Maintain high performance in Europe
Higher sales in North America and Asia

North America:

Compact tractors market is expected to bottom out

Europe:

Sales will remain high mainly for landscaping products

Absence of special demand for purchased products in the previous fiscal year

Asia:

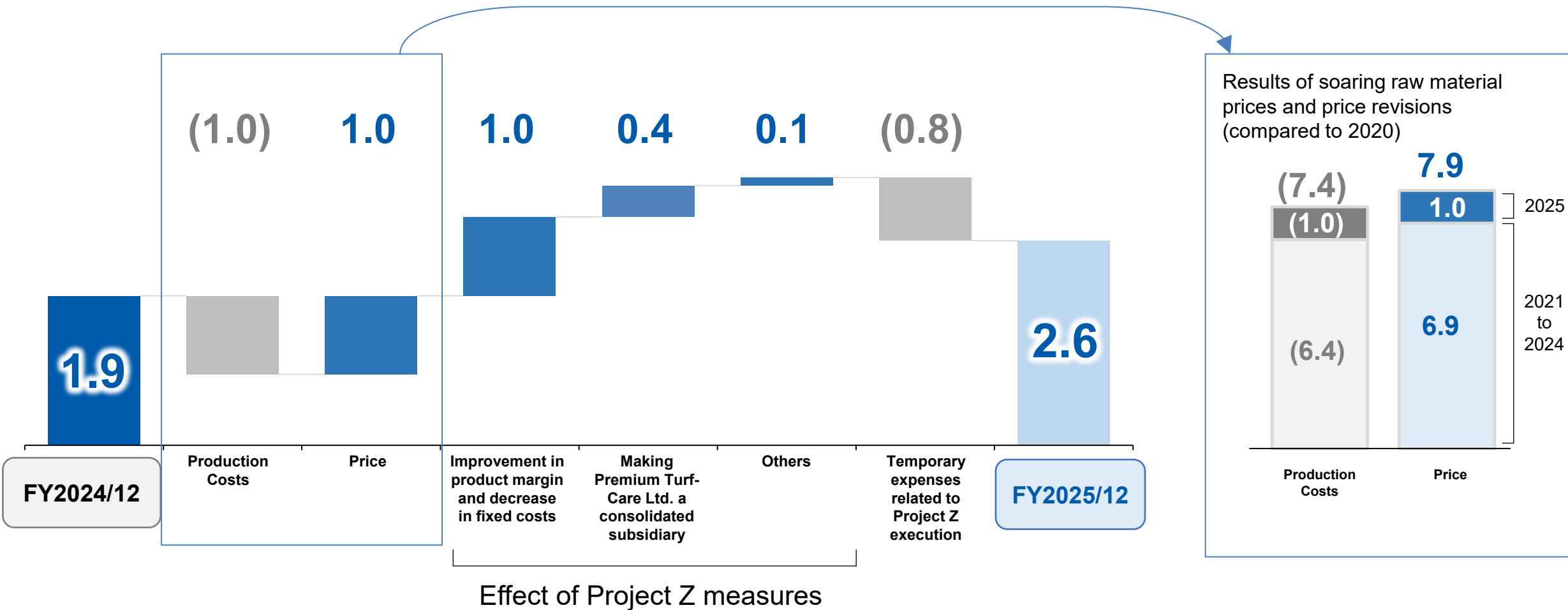
Develop products and services for neighboring countries of Thailand

Promote shipments after inventory adjustment in Korea

Main Factors for Changes in Operating Income Forecast

[Breakdown of YoY change (JPY bn)]

- Profit growth will be limited due to temporary expenses, despite partial effect of Project Z

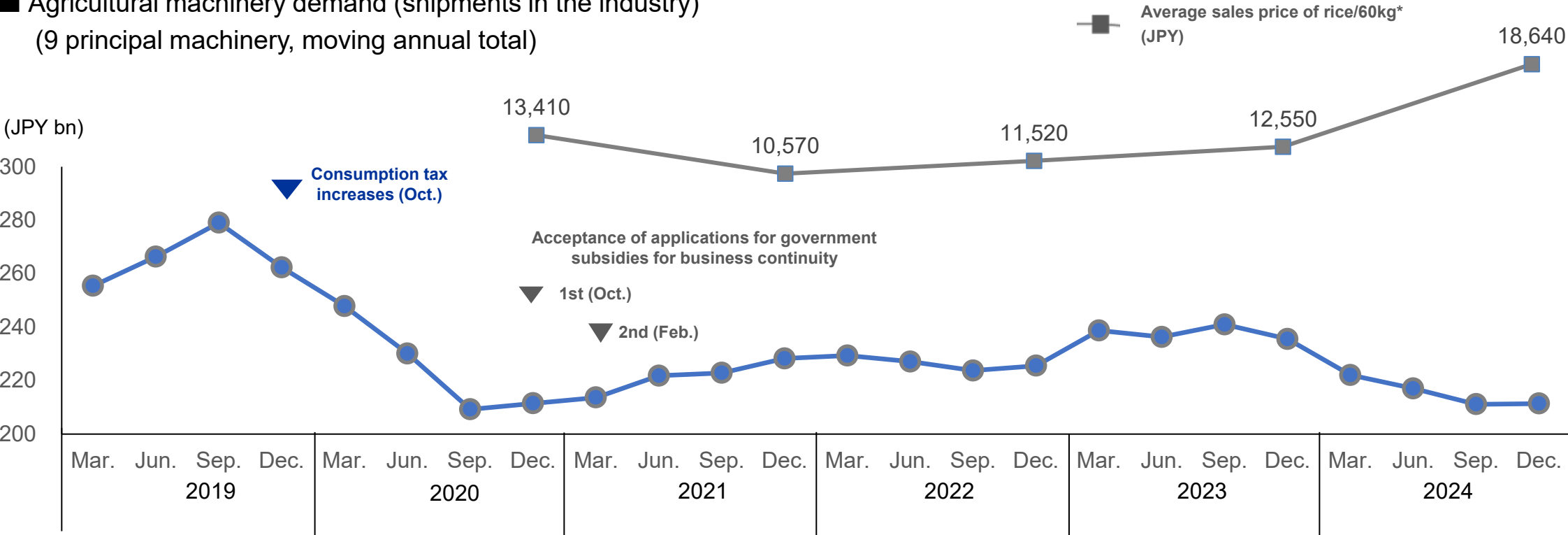


3. Domestic and Overseas Markets

Domestic Agricultural Machinery Market Trends

- In 2023, as early shipments were made ahead of price revisions by respective companies, shipments in the industry grew in the first half, and have dropped since the second half
Meanwhile, since the second half of 2024, decline in demand has bottomed out and remained flat due in part to rising rice prices

■ Agricultural machinery demand (shipments in the industry)
(9 principal machinery, moving annual total)



* 9 principal machinery: Tractors, combine harvesters, rice transplanters, tillers, drying machines, rice huskers, binders, harvesters, treatment

Source: Estimated by ISEKI from statistics provided by the Japan Agricultural Machinery Manufacturers Association

*Average sales price of rice: From Agricultural Retail Price Survey by the Ministry of Agriculture, Forestry and Fisheries
Approximate figures for non-glutinous rice (grade 1 brand names) in December 2024

January to December

1. Domestic Distributors

Amount of agricultural machinery products (Jan. to Dec. 2024)

- Sales: dropped slightly YoY, From year before last -6%
 - Jan.-Mar. saw a decline due to weak demand, but saw a recovery since April (Apr.-Dec.: 9% YoY)
 - Sales have been strong, especially for BF series tractor and FM series combine harvester, due in part to rising rice prices

- (Reference) Revision of ISEKI's agricultural machinery prices

Timing	Price increase
Jun. 2022	About 3%
Apr. 2023	About 5%
Mar. 2024	About 3%



FM series combine harvester



BF series tractor

Expansion in 2025, etc.

- Recovery in market conditions due to rising rice prices is expected to continue in 2025. Consolidation of farm fields due to a decrease in the number of farmers is expected to continue in the future
- Implement Project Z measures to target customers in the large-sized, advanced, environmentally friendly, and dry field markets, which are growing
 - Establishment of Large-scale Planning Section. Strengthen customer expansion and proposal capabilities
 - Strengthen marketing to agricultural players, start BtoB business
 - Provide products and services for large-scale agricultural needs
 - Continue to enhance content for large-scale producers on agriculture information website “Amoni.” Use the website as a tool to reach out to large-scale customers
 - Schedule to launch new Aigamo-Robo in 2025, reaching out to new customers



Largest class in Japan
Human monitored-type
robot tractor



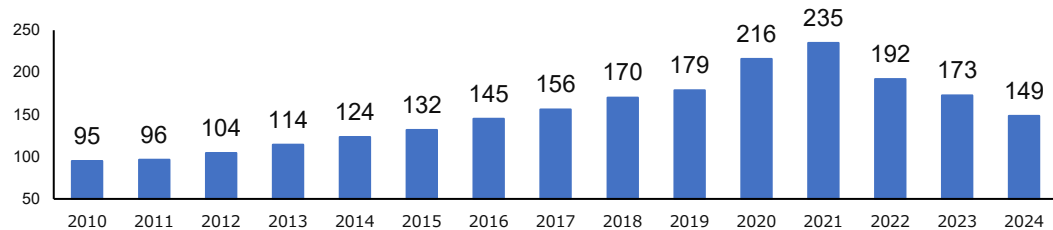
New
Aigamo-Robo

North America

1. Compact tractor market

- Sales have dropped to 150,000 units per year due to decline in demand since the second half of 2022, but remain high

<Market trends>



• Jan.-Dec. 2024: YoY -14% (1,000 units, % / Source: Statistics provided by AEM)

2. Situation of AGCO (OEM partner)

- Unit sales (Jan.-Dec. 2024) YoY -14%
- Demand is expected to bottom out in 2025

3. Status of ISEKI

- Inventory levels are to be optimized due to inventory adjustment
- Recovery in sales is expected in 2025 due to demand bottoming out and the effect of new products launch

Europe

1. Market trends

- In the first half of the year, the industry's inventory levels increased due to slowing purchasing appetite caused by inflation, etc. Inventory adjustment has progressed toward the end of the fiscal year

2. Local sales

- Unit sales (Jan.-Dec. 2024, ISEKI's products)
 - Local distributors: YoY 6%

Sales of ride-on mowers for the landscaping market remained strong

3. Status of ISEKI

- Inventories were adjusted towards the end of the fiscal year, but sales grew due to sales expansion of ISEKI's products by local distributors, expansion of purchased products (due in part to special demand), and the impact of the yen's depreciation
- In 2025, worries about softening demand due to a recession risks across Europe and cuts in the central and local government budgets
Sales are expected to decline YoY due to absence of special demand, despite the effect of increased sales due to making PTC Limited (UK) a consolidated subsidiary

ASEAN

1. Market trends

- <Thailand> No improvement in farm households' finances
Slow sales of machinery for rice agriculture due to continued restricting of loans by financial institutions.
In line with that, agricultural machinery market has contracted
- <Indonesia> The government's tender budget for tractors has been reduced, with part of the central government's tender budget being allocated to non-agricultural machinery budgets

2. Local sales

- Unit sales (Jan.-Dec. 2024)
- Thailand IST (Tractor): YoY significant decrease

3. Status at ISEKI

- <Thailand>
 - Stepped up promotion targeting dry field and dairy farms, but sales have not recovered
 - Aim to break away from dependence on the rice market by enhancing products, etc.
- <Indonesia>
 - Announced increase in tender budget in 2025
 - Expand regular sales other than tender projects, aiming to expand sales

East Asia

1. Market trends

- <Korea> The market for rice agricultural machinery contracted mainly due to soaring raw material prices and falling rice prices resulted from a glut of rice
Demand for machinery for dry filed agriculture increased due in part to support for crop conversion
- <China> Demand is uneven depending on the model, despite record level of subsidies
Demand has been stimulated by the policy to assist the retirement and replacement of agricultural machinery

2. Local sales

- Unit sales (Jan.-Dec. 2024)
 - China (Dongfeng ISEKI):
 - Ride-on rice transplanters YoY -8%
 - Tractors and combine harvesters YoY -5%
 - Focus on expanding sales of ride-on transplanters and tractors
 - Also expand the product lineup of smart agricultural machinery

3. Status of ISEKI

- <Korea>
 - In addition to the decline in demand, sales dropped due to inventory adjustment
 - In 2025, market contraction will continue, but inventory levels are expected to be optimized and orders are expected to recover

4. TOPICS

Organizational Restructuring: Building a Foundation for Growth

■ Domestic sales structure

- Consolidated management of 6 domestic sales companies over a wide area and Mie ISEKI Sales Co., Ltd., and established ISEKI Japan (January 2025)
Combine capabilities of ISEKI's Business Division
⇒ Quicken the pace of know-how sharing through new organizational structure to strengthen customer expansion and proposal capabilities

■ Overseas sales structure

- Europe: Made the UK distributor PTC Limited a consolidated subsidiary (January 2025)
⇒ 3 consolidated subsidiaries* have established a structure to aim for the next growth stage of their European business
* ISEKI France, ISEKI Germany, and Premium-Turf-Care
- Asia: Excluded Dongfeng ISEKI in China from entities accounted for using equity method (January 2025)
⇒ Expand business in China while continuing to provide technical support in areas such as mutual parts supply, product development, and production support

■ Domestic sales structure

- Consolidated management of Matsuyama and Kumamoto Factories
Established ISEKI M&D Co., Ltd. (July 2024)
⇒ Consolidated product assembly and made capital investment to reorganize production sites

■ Structure of 3 consolidated subsidiaries in Europe



Introduction of Internal Carbon Pricing (ICP)

- From January 2025, internal carbon prices set for ISEKI Group's capital investments are applied to, and incorporated into investment decision in capital investment plans that are expected to increase or decrease CO₂ emissions
- This will allow ISEKI to reflect a decarbonization perspective in its management decision-making more than ever, and to achieve its Environmental Vision

■ Overview of ICP

Target	Capital investment that increases or decreases CO ₂ emissions (Scope1, 2)
How to apply	Introduce as a mechanism in which internal carbon prices are applied to target capital investment plans, converted to costs, and used to evaluate investment profitability
Operation period	From January 2025

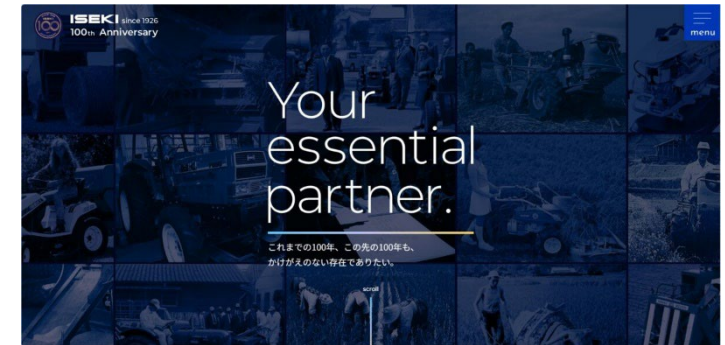
[Reference] ISEKI Group's Environmental Vision and mid-to long-term environmental targets



Strengthen Information Dissemination (100th Anniversary Website, Social Media, etc.)

■ Launch 100th Anniversary website

- To celebrate ISEKI's 100th anniversary in 2025, “100th Anniversary website” was launched to express its appreciation to stakeholders and promote ISEKI's appeal
- Show the ISEKI's history and the evolution of its business and agricultural and landscaping machinery over time through a variety of content
Campaign information and other information will be released in due course



Top page of “100th Anniversary website”

■ Created an official X (former Twitter) account

- Newly created an official X account
The latest information about the ISEKI Group's corporate information, its products, and events will be provided



■ Participate in Farmers & Kids Festa 2025

- Plan to participate in “Farmers & Kids Festa 2025,” in Yoyogi Park, Tokyo on March 1 and 2
 - Event details: An event where Japan's professional farmers gather as a “bridge between children and agriculture” to promote vibrant Japanese agriculture to children in the city



Last fiscal year's situation

5. APPENDIX

Company Outline

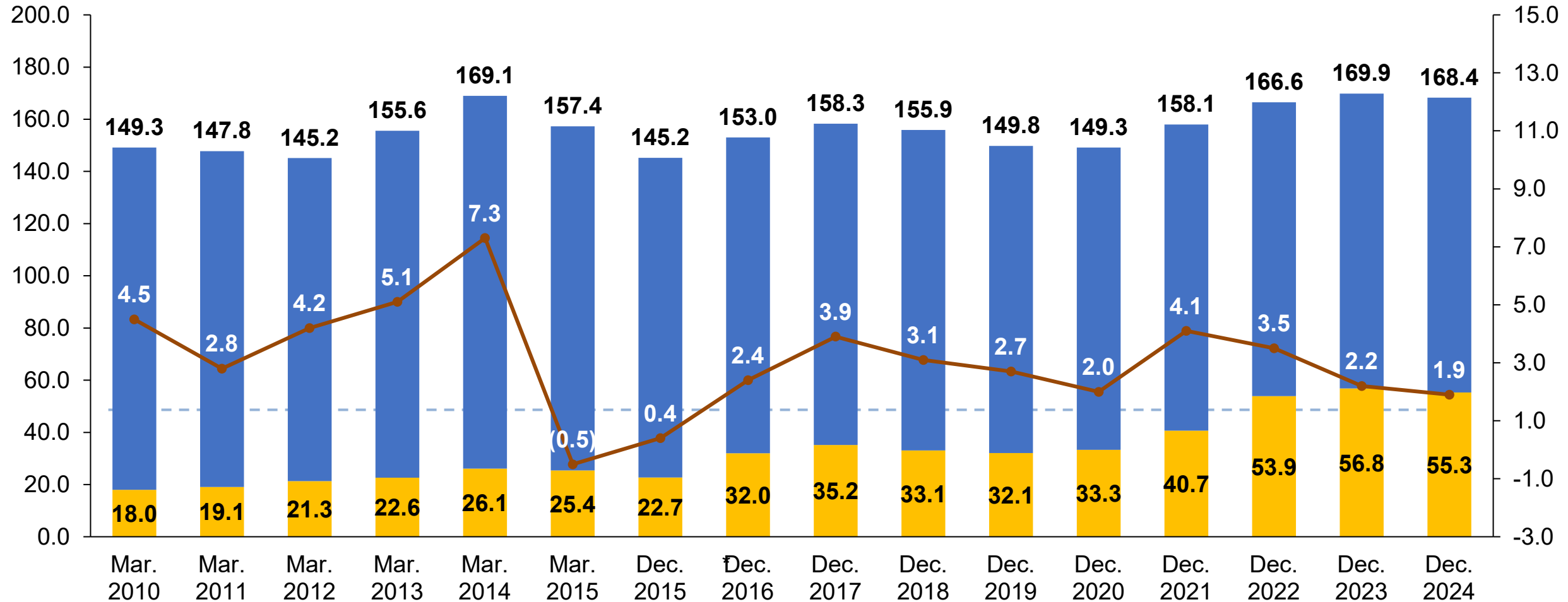
• Company name	ISEKI & CO., LTD.
• Founded	August 1926
• Location of head office	700 Umaki-cho, Matsuyama-shi, Ehime
• Capital	23,344 million yen
• Net sales	168,425 million yen (FY2024)
• Number of employees	5,292 (consolidated)
• Principal business	Manufacture and sale of agricultural machinery and garden tractors, agricultural facilities, and sale of agriculture-related products
• Group	19 consolidated subsidiaries
• Factories	5 sites in Japan, 3 sites overseas (1 in Indonesia, 2 in China [joint management])
• Sales network	Domestic: Sales are conducted through ISEKI Japan, other affiliated sales companies, JA Zen-noh, and sales distributors. Overseas: Sales through ISEKI Europe, ISEKI France, ISEKI Germany, PTC Limited (Europe), OEM supply to AGCO (North America), Dongfeng ISEKI Agricultural Machinery Co., Ltd. (China), IST Farm Machinery (Thailand), and other local distributors
• Exchange listing	Prime Market on the Tokyo Stock Exchange
• Securities code	6310
• Total number of shares issued	22,984,993 shares (excluding 111,384 shares of treasury stock)
• Number of shares per unit	100 shares

Trends in Consolidated Financial Results

(Net sales: JPY bn)

(Operating income: JPY bn)

Overseas sales Domestic sales Operating income

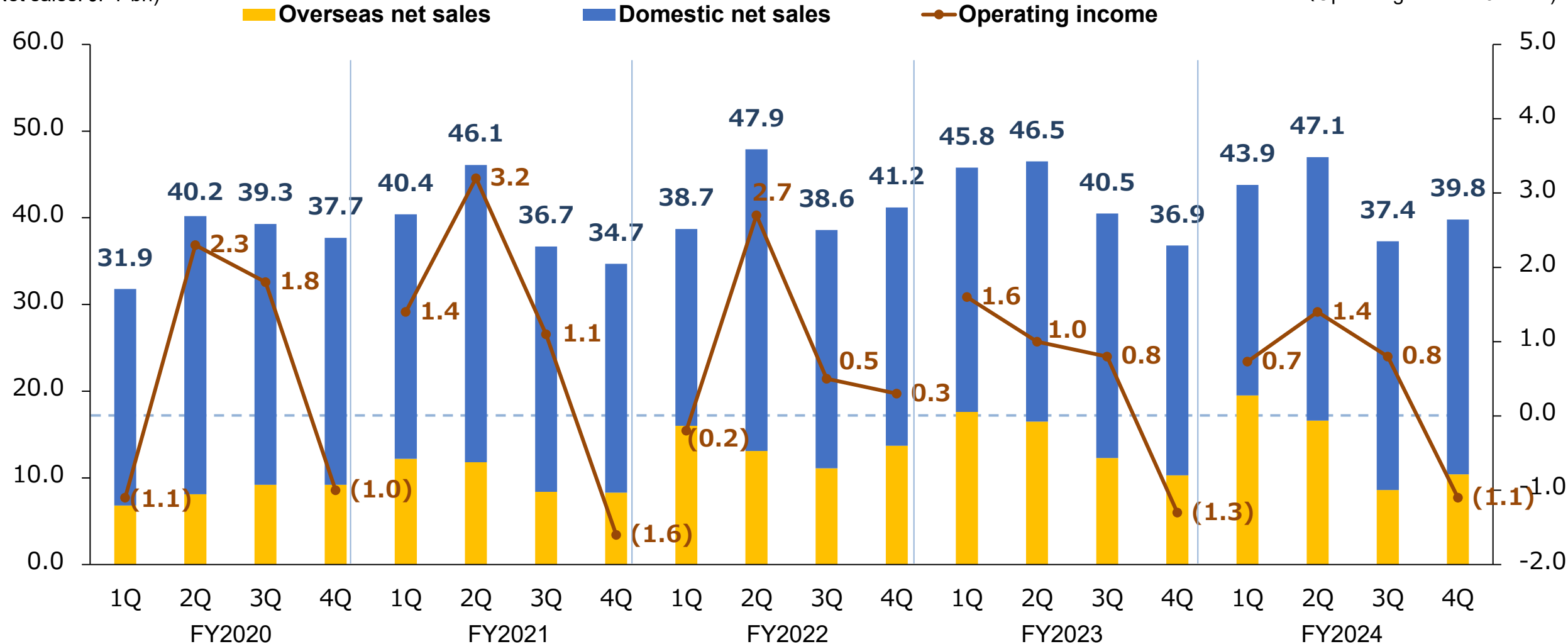


* FY2015 is a nine-month period due to the change of the fiscal year end.

Trends in Consolidated Financial Results (Quarterly)

(Net sales: JPY bn)

(Operating income: JPY bn)

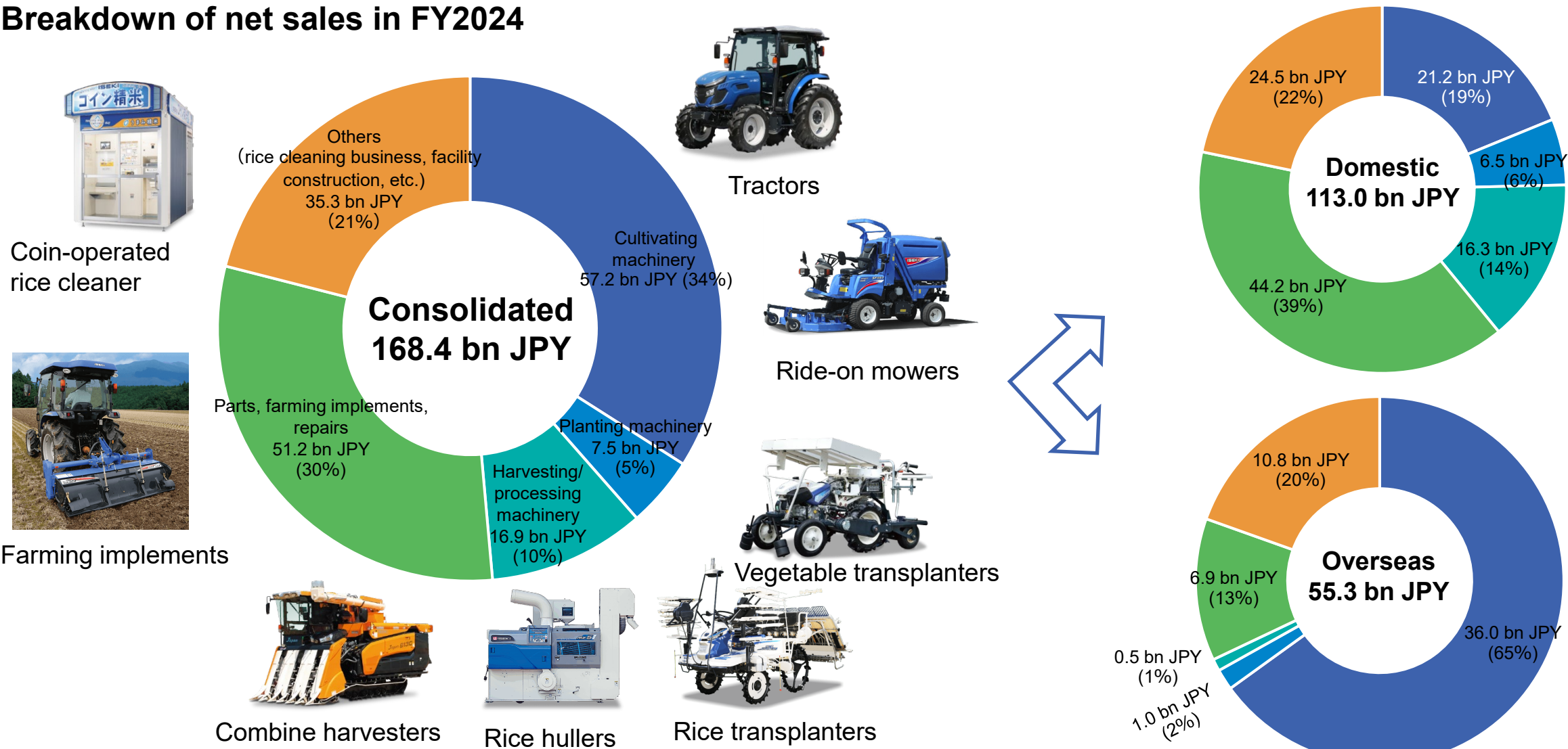


Outline of Products and Services

Category	Principle products and services	Principle sales regions			
		Japan	Asia	Europe	North America
Products	Products developed and produced mainly by the ISEKI Group				
Cultivating machinery	Tractors, ride-on mowers, tillers, multipurpose vehicles, high-clearance multipurpose vehicles, etc. 	○	○	○	○
Planting machinery	Rice transplanters, vegetable transplanters, etc. 	○	○	—	—
Harvesting and processing machinery	Combine harvesters, binders, vegetable harvesting machinery, rice hullers, rice graders, measuring and sorting machinery, etc. 	○	○	—	—
Revenue from farming implements, spare parts, and repairs	Products of domestic and overseas farming implement makers, etc. (Partially developed and produced by the Iseki Group) Spare parts, repair and maintenance, etc. 	○	Some	Some	Mainly parts
Others	Facility construction (agricultural facilities, etc.), agricultural materials (fertilizers, etc.), coin-operated rice cleaning business, rice cooking business, other purchased products (Europe: small-sized mowers, etc.), etc. 	○	Some	○	—

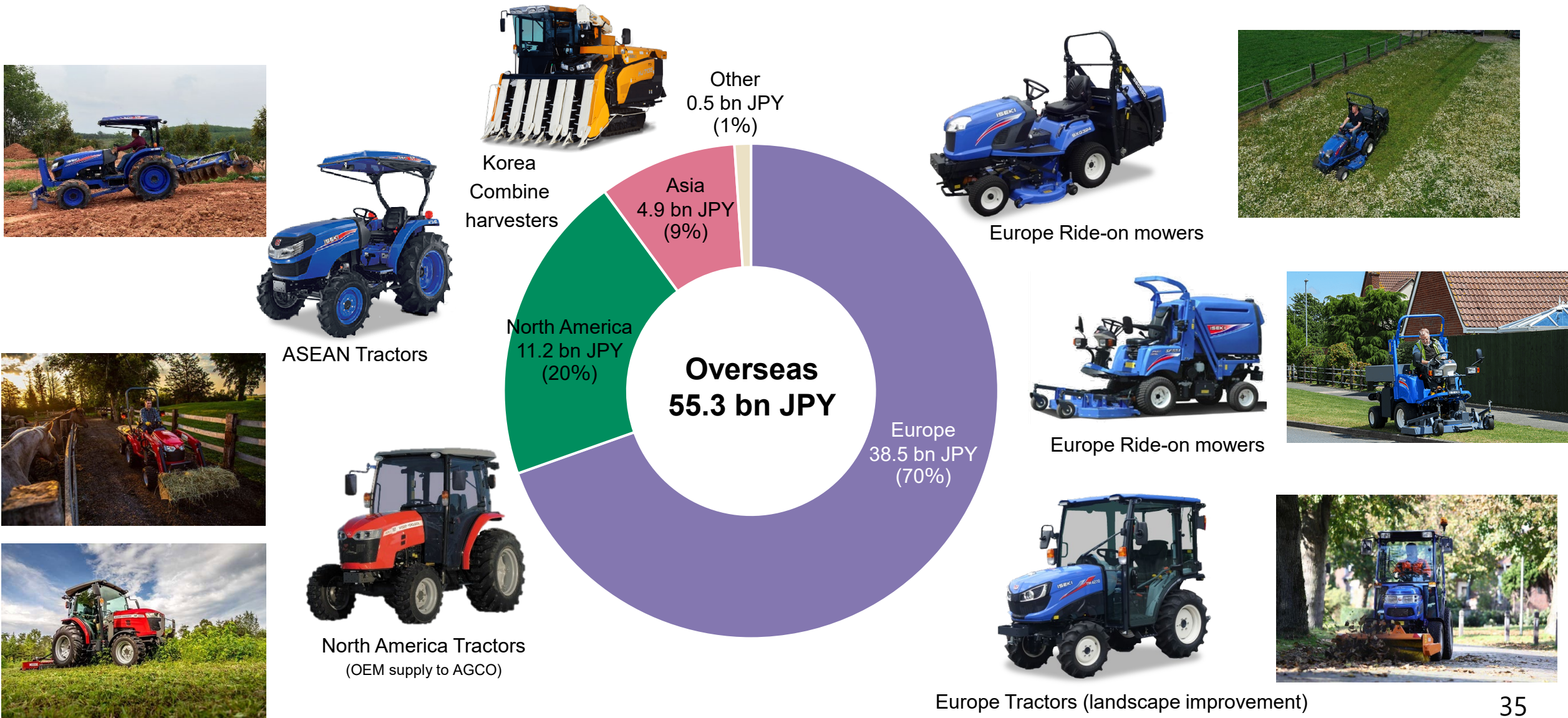
Breakdown of Net Sales by Product

Breakdown of net sales in FY2024



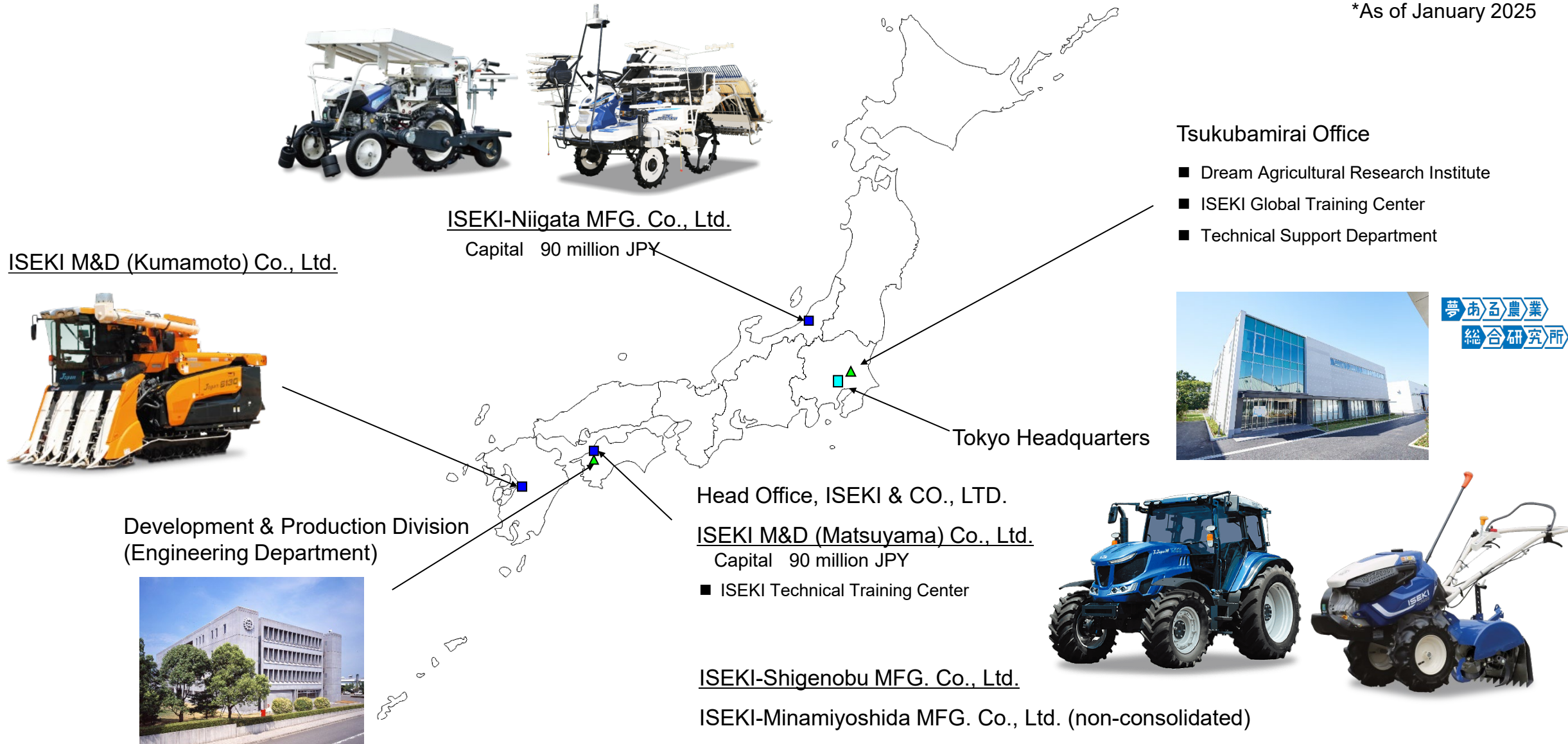
Breakdown of Net Sales by Overseas Region

Breakdown of net sales in FY2024



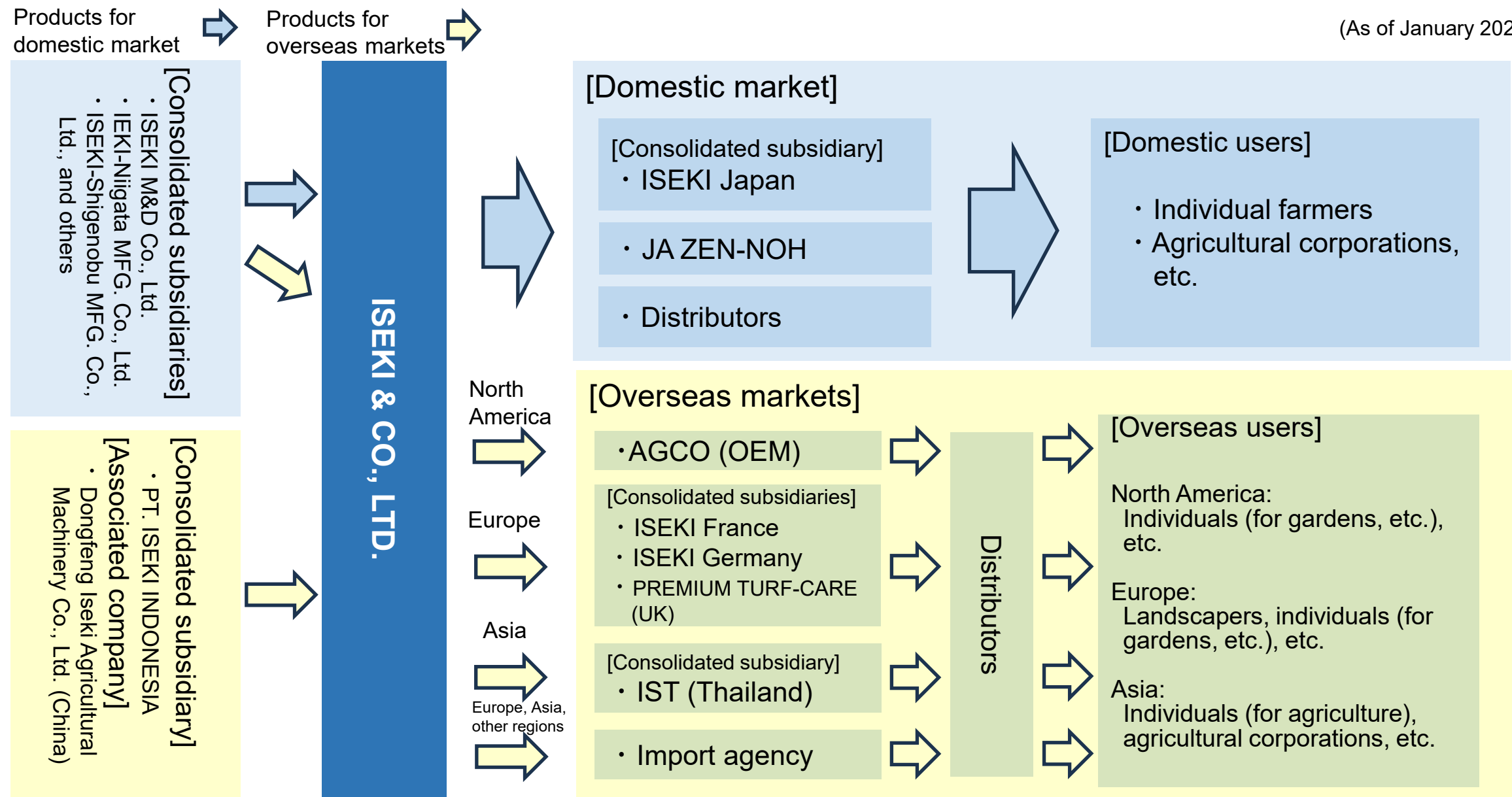
Principal Domestic Business and Manufacture Locations

*As of January 2025



Main Sales Channels for ISEKI's Products

(As of January 2025)



Overseas Manufacturing and Sales Sites

(As of January 2025)



Overseas: Main associated companies/strategic partners

[Associated companies]

France	ISEKI France S.A.S. (ISEKI France)
Germany	ISEKI Europe GmbH (ISEKI Europe) Iseki-Maschinen GmbH (ISEKI Germany)
U.K.	PREMIUM TURF-CARE LTD. (ISEKI UK & IRELAND) (*1)
Thailand	IST Farm Machinery Co., Ltd. (IST)
Indonesia	PT. ISEKI INDONESIA (ISEKI INDONESIA) ◆
China	Dongfeng Iseki Agricultural Machinery Co., Ltd. (Dongfeng Iseki) ◆ (*1)

[Strategic partners]

U.S.	AGCO Corporation of AGCO Group (*2)
India	Tractors and Farm Equipment Limited (TAFE) (business alliance)

◆ Production sites

*1: Non-consolidated subsidiaries

*2: OEM customer

Global Expansion: Europe

Contribute to creation of clean towns that are pleasant to live in

(As of January 2025)

- ✓ Since the 1960s, when ISEKI started its business, ISEKI has been contributing to the creation of pleasant and clean communities by expanding its sales area to all European regions and establishing the ISEKI brand.
- ✓ The Company provides ride-on mowers used to cut grass in parks and small-sized, highly performance tractors to clean roads and remove snow, primarily to landscape maintenance workers mainly contracted by municipalities.
- ✓ Aim to further expand the European business by making PTC Limited (UK) a consolidated subsidiary (in early 2025) to have management resources shared among European subsidiaries and leveraging synergies.

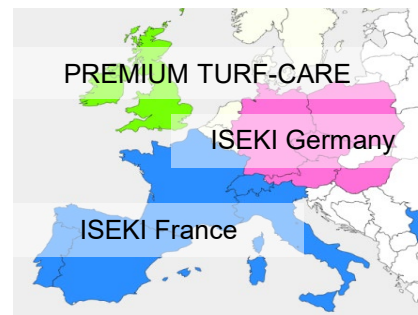
■ Products handled

Category	Details	Main users
Products (non-agriculture) (mainly cultivating machinery)	(mainly for landscaping) Compact tractors, ride-on mowers, tillers, etc.	Landscapers, small-scale farmers, hobby farmers
Other products*	Farming implements, parts, etc.	

*Purchase and sale of electric and gasoline-powered mowing products and other products that have high synergy effects with ISEKI's products.

■ Main sales channels

France: ISEKI France (consolidated subsidiary)
 Germany: ISEKI Germany (consolidated subsidiary)
 UK: PREMIUM TURF-CARE LIMITED
 (consolidated subsidiary)
 Belgium and Netherlands: Van der Haeghe, etc.



Global Expansion: North America

(As of January 2025)

Contribute to a fulfilling private life

- ✓ AGCO, a major global agricultural machinery manufacturer, is ISEKI's business partner. ISEKI supplies AGCO's Massey Ferguson brand products on an OEM basis.
- ✓ The products are highly rated by local users, mainly non-professional users, who utilize them for a wide variety of tasks, including light civil engineering work, garden maintenance, and snow removal in cold regions.
- ✓ Demand for compact tractors has grown rapidly over the past decade, especially during the COVID-19 pandemic, when strong demand was seen due to suburban migration and other lifestyle changes. Although the market entered an adjustment phase in 2022, it remains large.



-History of product supply-

- 1977 Began tractor exports (FMC: OEM)
- 1991 Began OEM supply to MF (Massey Ferguson)
- 1994 Began OEM supply to AGCO

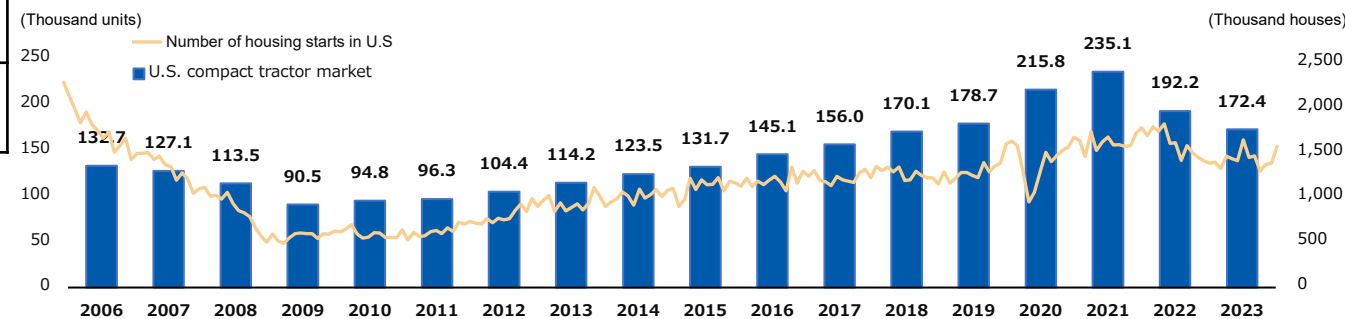
■ Products handled

Category	Details	Main users
Products (non-agriculture) (mainly cultivating machinery)	Compact and sub-compact tractors, etc.	Farmers, hobby farmers, landscapers, light civil engineering contractors
Other products	Farming implements, parts, etc.	

■ Main sales channels

U.S and Canada: AGCO Corporation (AGCO: OEM supply)

■ Trends in North American compact tractor market and housing starts



Source: Association of Equipment Manufacturers (AEM), United States Census Bureau (USCB)

Global Expansion: Asia

Contribute to food production and reducing the burden on agricultural producers

(As of January 2025)

In the ASEAN, East Asia (Korea and Taiwan), and Chinese markets, ISEKI focuses on machinery for rice cultivation developed in Japan.

- ✓ In ASEAN, ISEKI is developing products and services for neighboring countries, with IST, now a consolidated subsidiary, at the core. In addition to tractors, mainly used for agriculture, ISEKI also provides rice transplanters, combine harvesters, and other machinery for rice cultivation.
- ✓ In East Asia, the need for advanced-technology and large-sized agricultural machinery is growing. ISEKI provides large-sized, high performance, mainstay ISEKI brand products (tractors, rice transplanters, combine harvesters, etc.) through local distributors.
- ✓ In China, ISEKI products (tractors, rice transplanters, combine harvesters, and other machinery for rice cultivation) for agriculture are used. In addition to ISEKI brand products, ISEKI is configuring products that better meet local needs by developing local brands.



■ Products handled and main sales channels

Country/region	Category		Details	Main users	Sales channel
ASEAN	Products (agriculture) (mainly agricultural machinery)	Cultivating Planting Harvesting & processing	Tractors Rice transplanters (walking type & ride-on type) All-purpose combine harvesters etc.	Farmers Contractors	Thailand: IST (consolidated subsidiary) *IST Farm Machinery Co., Ltd.
	Other products		Farming implements, parts, etc.		
East Asia (Korea and Taiwan)	Products (agriculture) (mainly agricultural machinery)	Cultivating Planting Harvesting & processing	Tractors, high clearance multipurpose vehicles Rice transplanters, vegetable transplanters Auto-threshing combine harvesters etc.	Farmers Contractors	Local distributors
China	Products (agriculture) (mainly agricultural machinery)	Cultivating Planting Harvesting & processing	Tractors Rice transplanters (walking type & ride-on type) Combine harvesters (auto-threshing, all-purpose) etc.	Farmers Contractors	Dongfeng ISEKI (associated company) *Dongfeng ISEKI Agricultural Machinery Co., Ltd.

The number of ISEKI's registered patents by field is proof that it has been making proactive efforts to develop, launch, and implement new technology.

■ Number of patents by field in Japan

2nd place in field of “Other Special Machinery”

Year	2000-2006	2007-2014	2016-2017	2018	2019	2020-2023
Statistical number	Number of publications by field		Number of registrations by field			
Field	Agricultural and fishery products		Other special machinery			
Place	1st			2nd	1st	2nd

*Until 2016, the Japan Patent Office Annual Report contained the number of patents published by field in Japan (results for the previous two years), but since 2017 it has contained the number of patents registered by field in Japan (results for the previous year)

Source: Japan Patent Office Annual Report,
2023 Edition (Japan Patent Office)

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