



November 7, 2014

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Notice on the differences between the forecast and business performance results for the six months of the fiscal year ending March 31, 2015 and the revision on the full-year business performance forecast

We would like to promulgate the fact that difference has occurred between the forecast and our business performance results for the six months of the fiscal year ending March 31, 2015 announced on May 14, 2014 and actual results announced today, as set out below. We would also like to announce that we have revised the business performance forecast for the fiscal year ending March 31, 2015 which were announced on May 14, 2014, on the basis of recent trends in business performance as described below.

1. The difference between forecast of consolidated business performance for the six months and actual results (April 1, 2014 – September 30, 2014)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
Previous Forecast (A)	83,000	2,800	2,600	1,300	5.66
Net Sales (result) (B)	82,450	1,048	1,485	1,341	5.84
Difference (B-A)	(550)	(1,752)	(1,115)	41	
Rate of Change (%)	(0.7)	(62.6)	(42.9)	3.2	
(Ref.) Results for 2 nd Quarter FY Mar./14	82,496	4,166	4,892	3,168	13.79

2. Revised forecast of consolidated business performance for the fiscal year ending March 31, 2015
(April 1, 2014 – March 31, 2015)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
Previous Forecast (A)	165,000	5,500	5,100	2,600	11.32
Latest Forecast (B)	159,000	2,500	2,400	1,500	6.57
Difference (B-A)	(6,000)	(3,000)	(2,700)	(1,100)	
Rate of Change (%)	(3.6)	(54.5)	(52.9)	(42.3)	
(Ref.) Results for FY Mar./14	169,129	7,371	8,285	6,447	28.06

3. Reasons for the Variance and Revision

With respect to the difference between forecast of the consolidated business performance for the six months and actual results, while net sales remained almost in line with the forecast, operating income and ordinary income were below the forecast mainly due to a decrease in gross profit as a result of reduced sales of domestic agricultural machinery products from Apr. to Sep.

Quarterly net income remained almost in line with the forecast mainly due to appropriation of negative goodwill resulting from the acquisition of stock of an European distributor in order to make it a subsidiary.

With respect to revision of the consolidated full-year business performance, we have revised downward net sales and respective income from the previous forecast announced on May 14, 2014 in view of the actual consolidated business performance for the six months as well as recent trends in orders received and foreign exchange.

Meanwhile, we have adopted ¥106 (modified from ¥101) against the US dollar and ¥135 (modified from ¥137) against Euro as our company forex rate.

Note: The above business performance forecasts have been prepared by our company based on the information available as of November 7, 2014, and actual performances can be different from the forecasts due to various factors hereafter.