



November 11, 2016

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Notice on the Revision of Consolidated Business Performance Forecasts for the Fiscal Year Ending December 31, 2016

We would like to announce that a revision has been made to the consolidated business performance forecasts for the fiscal year ending December 31, 2016 announced on August 10, 2016 in view of recent trends in business performance.

1. Revision of the forecasts for consolidated business performance of the fiscal year ending December 31, 2016 (January 1, 2016 to December 31, 2016)

(Millions of Yen)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Profit per Share (yen)
Previous Forecast (A)	161,500	3,500	3,200	1,900	8.41
Latest Forecast (B)	155,500	2,800	2,000	700	3.10
Difference (B-A)	(6,000)	(700)	(1,200)	(1,200)	
Rate of Change (%)	(3.7)	(20.0)	(37.5)	(63.2)	
(Ref.) Results for the Fiscal Year Ended December 31, 2015	—	—	—	—	—

Note: The fiscal year ended December 31, 2015 consists of a nine-month period from April 1, 2015 to December 31, 2015 due to the fiscal year change. Therefore, the results for the previous term are not indicated.

[Reason for revision]

We have revised our forecasts for net sales and respective income from the previous forecast for consolidated business performance for the fiscal year ending December 31, 2016 announced on August 10, 2016 mainly in view of the actual consolidated business performance for the nine-month period as well as recent order-intake and exchange rate movements.

- Net sales: -¥6.0 billion (domestic: -¥4.3 billion; overseas: -¥1.7 billion)
 Domestic net sales were revised ¥4.3 billion downward, reflecting declines in sales of agricultural machinery and construction of facilities.
 Overseas net sales were revised ¥1.7 billion downward, reflecting the impact of the strong yen in addition to part of sales being posted in the next fiscal year due to partial amendments to the terms of business with a North American OEM supplier, and a change in the shipment timing of semi-finished rice transplanters to China.
- Operating income was revised ¥0.7 billion downward, reflecting a drop in gross profit due to a decrease in net sales, despite endeavors to reduce expenses through full enforcement of low-cost operations, as well as a cut in personnel expenses.
- Ordinary income was revised ¥1.2 billion downward, reflecting the downward revision of the operating income as well as the deterioration of share of (profit) loss of entities accounted for using equity method of affiliated companies in China (the recording of foreign exchange losses and increased burden of development costs).

* The average foreign exchange rate assumptions for the fiscal year ending December 31, 2016 are ¥109 per U.S. dollar and ¥121 per euro. (The foreign exchange rate assumptions for the fourth quarter are unchanged at ¥105 per U.S. dollar and ¥115 per euro.)

Note: The above business performance forecasts have been produced based on information presently available. It is possible that in the future actual results may differ from the anticipated figures for a variety of reasons.