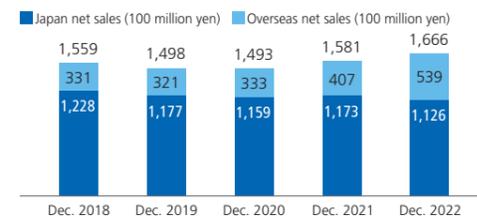


Financial and non-financial data

Financial highlights (FY2022)

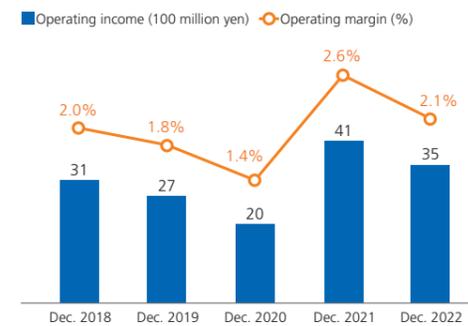
Net sales

Net sales came to 166.6 billion yen, up 8.4 billion yen year on year. [Japan] Sales declined due to production delay resulting from supply chain disruptions and decreased willingness to buy caused by weak rice prices and soaring agricultural material prices. [Overseas] In North America, sales increased as our shipments grew to recover the local inventory levels. In Europe, sales increased, mainly to consumers, in addition to contribution from ISEKI Germany becoming a consolidated subsidiary. In Asia, sales decreased as higher shipments to South Korea could not offset lower shipments of semi-finished goods to China and other factors.



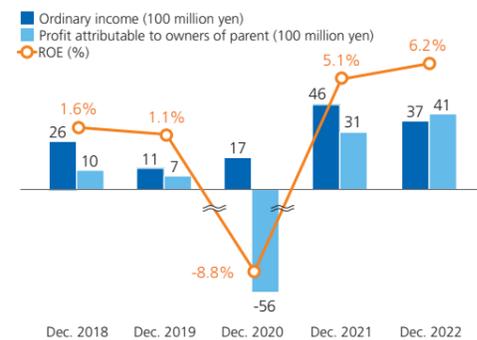
Operating income / Operating margin

Operating income decreased by 0.6 billion yen year on year to 3.5 billion yen as price revisions implemented in each region were unable to fully cover the impact of soaring raw material prices, putting pressure on earnings, in addition to an increase in selling, general and administrative expenses. Operating margin declined by 0.5% year on year to 2.1%.



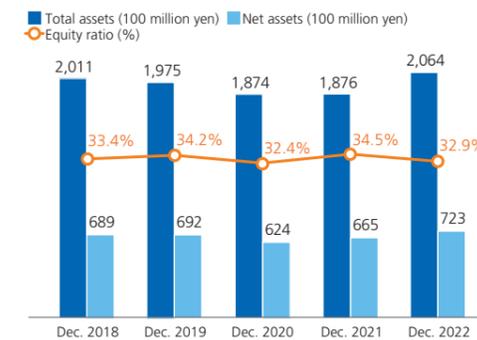
Ordinary income / Profit attributable to owners of parent / ROE

Ordinary income came to 3.7 billion yen, down 0.9 billion yen year on year due to absence of a settlement income recorded in the previous year, as well as an increase in loss of entities using equity method. Profit (loss) attributable to owners of parent increased by 0.9 billion yen year on year to 4.1 billion yen due to extraordinary income such as gain on change in equity, despite impairment loss.



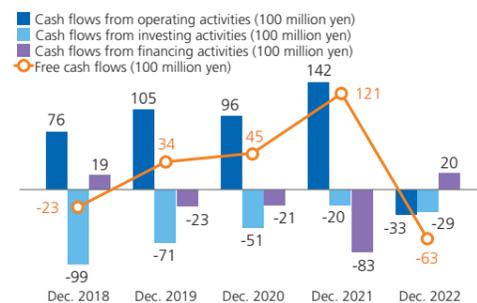
Total assets / Net assets / Equity ratio

Total assets increased by 18.8 billion yen year on year to 206.4 billion yen due to a delay in receiving stock in North America and the impact of consolidation of ISEKI Germany, as well as an increase in inventories resulting from an increase in work in progress caused by supply chain disruptions. Net assets came to 72.3 billion yen, up 5.7 billion yen year on year due to an increase in retained earnings.



Cash flows

In the cash flows from operating activities, the net cash outflow was 3.3 billion yen due to an increase in inventories. In the cash flows from investing activities, the net cash outflow was 2.9 billion yen due to capital investment. As a result, in the free cash flows, the net cash outflow was 6.3 billion yen. In the cash flows from financing activities, the net cash inflow was 2.0 billion yen due to an increase in borrowings, etc.



Interest-bearing debt / D/E ratio

While interest-bearing debt increased by 6.0 billion yen year on year to 68.1 billion yen, D/E ratio, which shows the soundness of finance, was at the level of the previous year, 0.94 times, due in part to an increase in net assets.



Consolidated financial summary

(Millions of yen)

	Dec. 2018	Dec. 2019	Dec. 2020	Dec. 2021	Dec. 2022
Results of Operations					
Domestic sales	122,812	117,717	115,907	117,396	112,638
Overseas sales	33,143	32,181	33,397	40,795	53,991
Net sales	155,955	149,899	149,304	158,192	166,629
Gross profit	45,945	44,507	43,476	46,841	49,890
Operating income	3,179	2,745	2,084	4,147	3,534
Ordinary income	2,629	1,108	1,702	4,687	3,762
Profit (loss) attributable to owners of parent	1,090	723	(5,641)	3,196	4,119
Financial Position (at the end of the fiscal year)					
Cash and deposits	7,475	8,404	10,787	14,850	10,749
Notes and accounts receivable – trade	23,327	19,675	21,780	21,537	27,574
Inventories	53,719	54,179	51,847	49,871	65,331
Other	7,269	4,900	5,564	4,843	5,758
Total current assets	91,791	87,159	89,979	91,103	109,414
Property, plant and equipment	96,842	98,346	86,287	84,962	83,919
Intangible assets	1,082	1,288	1,967	2,290	2,309
Investments and other assets	11,440	10,717	9,193	9,328	10,848
Total non-current assets	109,365	110,352	97,449	96,581	97,076
Total assets	201,156	197,511	187,428	187,684	206,491
Notes and accounts payable – trade	39,736	37,752	36,872	39,279	45,500
Short-term loans payable (including current portion of long-term loans payable)	42,877	39,351	37,460	30,210	40,291
Other	12,979	12,630	11,814	11,852	12,397
Total current liabilities	95,593	89,735	86,147	81,342	98,189
Long-term loans payable	20,571	21,525	24,114	24,728	20,811
Net defined benefit liability	4,063	3,059	3,144	2,912	3,244
Deferred tax liabilities for land revaluation	5,780	5,759	4,097	4,097	4,097
Other	6,188	8,180	7,504	8,042	7,802
Total non-current liabilities	36,603	38,524	38,861	39,780	35,956
Total liabilities	132,197	128,259	125,009	121,123	134,146
Shareholders' equity	52,746	52,840	50,346	53,567	57,023
Accumulated other comprehensive income	14,454	14,641	10,310	11,201	10,978
Subscription rights to shares and non-controlling interests	1,759	1,770	1,762	1,792	4,342
Total net assets	68,959	69,252	62,419	66,561	72,345
Total liabilities and net assets	201,156	197,511	187,428	187,684	206,491

Cash flows

Cash flows from operating activities	7,616	10,509	9,694	14,233	(3,375)
Cash flows from investing activities	(9,944)	(7,104)	(5,167)	(2,039)	(2,984)
Free cash flows	(2,327)	3,404	4,526	12,194	(6,360)
Cash flows from financing activities	1,970	(2,396)	(2,179)	(8,338)	2,033
Net increase (decrease) in cash and cash equivalents	(408)	981	2,383	4,048	(4,101)

Information Per Share (Yen)

Net assets	2,974.7	2,987.1	2,683.1	2,864.4	3,006.7
Profit (loss)	48.2	32.0	(249.5)	141.4	182.1
Cash dividends	30.0	30.0	—	30.0	30.0

Management Indicators

Equity ratio (%)	33.4	34.2	32.4	34.5	32.9
ROE (%)	1.6	1.1	(8.8)	5.1	6.2
ROA (%)	0.5	0.4	(3.0)	1.7	2.0
CCC (months)	3.3	3.4	3.4	2.8	4.0
D/E ratio (times)	1.01	1.00	1.11	0.93	0.94

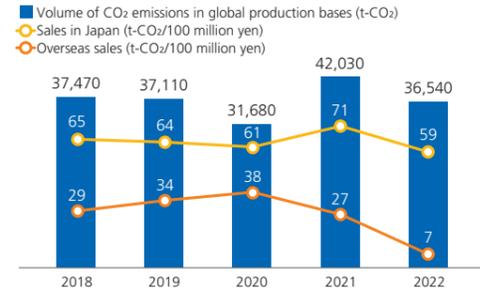
Notes 1 ROE (Return on equity) = Profit/(Equity at the beginning of the fiscal year + Equity at the end of the fiscal year)/2
 2 ROA (Return on assets) = Profit/Total assets
 3 CCC (Cash conversion cycle) = Days sales outstanding + Days of inventory outstanding – Days payable outstanding
 4 D/E ratio = Interest-bearing liabilities/Net assets

Financial and non-financial data

Non-financial highlights (FY2022)

Volume of energy-generated CO₂ emissions in factories **Environment**

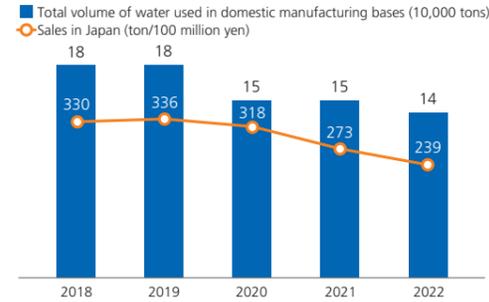
We are working to reduce CO₂ emission volumes in our production activities to create a decarbonized society. We started applying International Renewable Energy Certificate (I-REC) at PT. ISEKI INDONESIA in 2022, and reduced the emission volumes.



*Japan: ISEKI-Matsuyama MFG Co., Ltd., ISEKI-Kumamoto MFG Co., Ltd., ISEKI-Niigata MFG Co., Ltd., and ISEKI-Shigenobu MFG Co., Ltd.
Overseas: PT. ISEKI INDONESIA
*The CO₂ emission factor for domestic electricity is revised every year based on values published by the Ministry of the Environment.

Volume of water used in manufacturing bases **Environment**

We are working to reduce volume of water used to mitigate environmental burdens in factories.

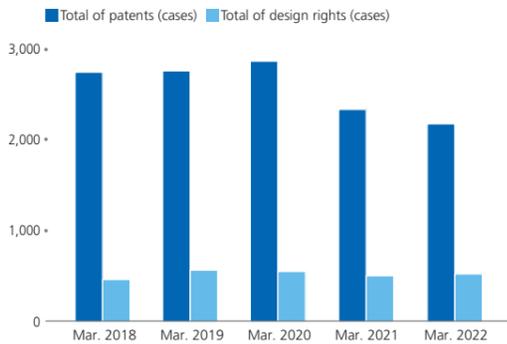


*Japan: ISEKI-Matsuyama MFG Co., Ltd., ISEKI-Kumamoto MFG Co., Ltd., ISEKI-Niigata MFG Co., Ltd., and ISEKI-Shigenobu MFG Co., Ltd.

Patents, utility model rights and design rights held **Technological capabilities**

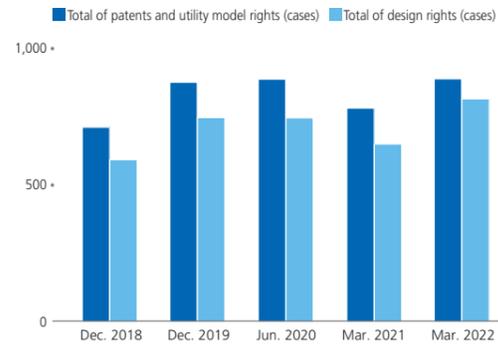
The Company has approximately 2,200 patents, thanks to its acquisition and accumulation of validated claims, and it also holds more than approximately 500 design rights.

● Japan



We actively submit applications using the intellectual property regimes of various countries to lead to differentiation of products in the overseas market.

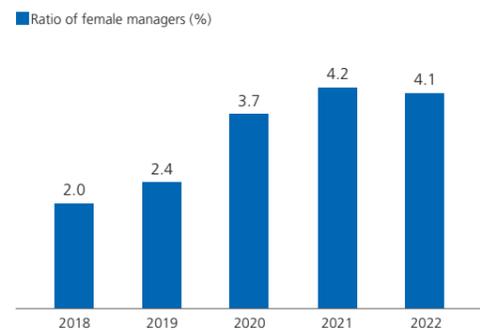
● Overseas *



* The tabulation period for some overseas patents, utility model rights, and design rights is different, and therefore the year and month of results vary.

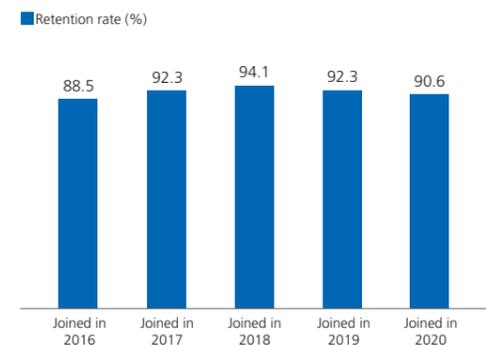
Ratio of female managers **non-consolidated** **Human resources**

Aiming to increase the ratio of female managers to 7% or more by the end of 2025, we are making efforts to improve abilities of female employees through education and training, and promote them.



Retention rate in three years from joining **non-consolidated** **Human resources**

The retention rate of college graduates in three years from joining is at a high level of above approximately 90%.



Company profile / Stock information

Company profile

As of December 31, 2022

Company name:	ISEKI & CO., LTD.	Foundation:	August 1926
Head office:	700 Umaki-cho, Matsuyama-shi, Ehime-ken, 799-2692 JAPAN	Paid-in capital:	23,344 million yen
Tokyo headquarters:	5-3-14, Nishi-Nippori, Arakawa-ku, Tokyo, 116-8541 JAPAN	Number of employees:	Consolidated: 5,454 Non-Consolidated: 756

Stock information

As of December 31, 2022

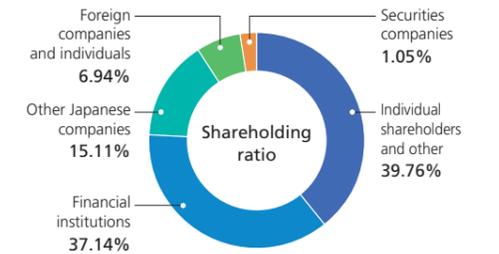
Company code:	6310	Business year:	From January 1 through December 31
Total number of authorized shares:	69,000,000 shares	Ordinary general meeting of shareholders:	Late March every year
Shares issued and outstanding:	22,872,447 shares (excluding treasury stock of 112,546 shares)	Record date:	Ordinary general meeting of shareholders / Year-end dividend: December 31 every year
Number of shares per trading unit:	100 shares	Shareholder register administrator and Account management institution for special accounts:	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Number of shareholders:	19,207		
Stock Exchange on which its shares are listed:	Prime Market of the Tokyo Stock Exchange		

Major shareholders (top 10)

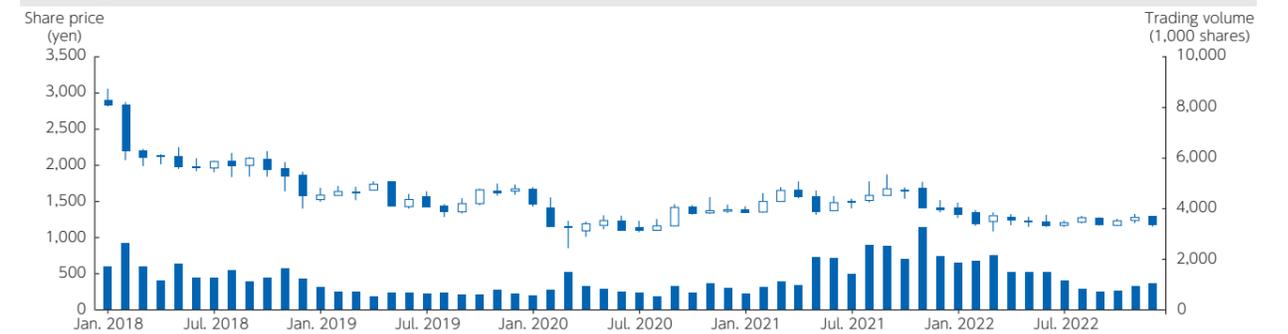
Name of major shareholder	Number of shares held (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,299,300	10.05
Mizuho Bank, Ltd.	1,070,800	4.68
Custody Bank of Japan, Ltd. (Trust Account)	1,056,800	4.62
Iseki kabushiki hoyukai (Company's Stockholding Co-op.)	906,894	3.96
The Norinchukin Bank	868,785	3.79
Sumitomo Mitsui Trust Bank, Limited	800,000	3.49
Iseki eigyo-hansya group syain mochikabukai (Business-selling Group Holdings)	666,600	2.91
The Iyo Bank, Ltd.	580,042	2.53
Sompo Japan Insurance Inc.	434,500	1.89
DFA INTL SMALL CAP VALUE PORTFOLIO	398,792	1.74

(Note) Shareholding ratios are calculated after the deduction of treasury stock. The treasury stock does not include 255,800 shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account) as trust property of a stock delivery trust for officers.

Status of distribution of shares held by type of shareholder



Share price trends



Evaluation by third parties

DBJ Environmental Rating – highest rating 17 times in a row

In April 2023, ISEKI received the highest rating as one of the "Companies doing environment-friendly business activities progressively," 17 times in a row, by the Development Bank of Japan Inc., in receiving loans under the DBJ Environmentally Rated Loan Program.

Points that are highly evaluated in the rating for this year

- 1 ISEKI is pushing ahead with a Group-wide initiatives for reducing environmental burdens.
- 2 ISEKI has realized contribution to the environment through supply chains.
- 3 ISEKI is committing itself to decarbonization in the agricultural industry as a whole through in-house solutions.

