

Overseas Market Strategies

We will drive growth through product strategies and regional strategies tailored to the needs of regions around the world.

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Corporate Officer, General Division Manager, Overseas Business Division



The year 2024 was marked by rapid environmental changes in the business environment, including the further emergence of geopolitical risk. Overseas operations remained strong, however, led by robust performance in Europe. This propelled us to achieving the net sales and profit targets established for 2025 in our mid-term management plan a year ahead of schedule.

Furthermore, under Project Z, also launched in 2024, we have formulated a growth strategy with the aim of increasing overseas sales from the current 50 billion yen to 80 billion yen by 2030. We will accelerate the growth of our overseas business. In concrete terms, we will implement a product strategy that includes developing electric products, particularly in Europe where environmental awareness is high; enhancing the brand power of AGCO's Massey Ferguson brand through collaboration with AGCO in North America; and introducing high-performance products refined in the Japanese market to rice-growing regions in Asia. We will also implement a regional strategy that includes expanding sales areas through three European subsidiaries, including the conversion of a British sales agency into a subsidiary, and developing new businesses in Asia. We will execute these strategies with strong execution capabilities that will enable us to withstand environmental changes.

Project Z

● Growth strategy

Development of strategies by region

- Expand European business
 - Complete consolidation of UK sales agent Premium Turf-Care Ltd. as a subsidiary

Product strategies

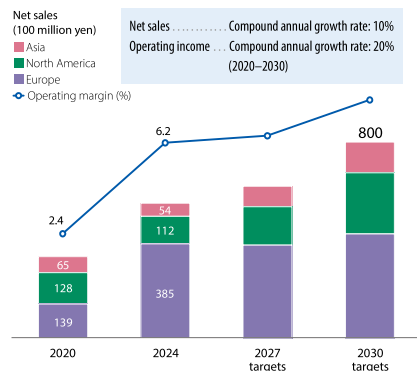
- Expand Non-Agri products; introduce environmentally friendly products

*Non-Agri products: Non-agricultural machinery (landscaping machinery, etc.)

Effect

Increased earnings effect in 2027
Approx. 1.0 billion yen
(compared with 2023)

Consolidated net sales trends (by region)



Measures by region

Europe

Three-company structure in Europe + electric/robotic products

North America

Deepen collaboration with AGCO + unearth demand through local market research

Asia

- East Asia
 - Entrench the ISEKI brand through on-site demonstrations and enhanced service support + large, cutting-edge products
- ASEAN
 - Expand new trading partner countries centered on IST Farm Machinery Co., Ltd. + leverage supply chain of Tractors and Farm Equipment Ltd. (TAFE) to improve product competitive power

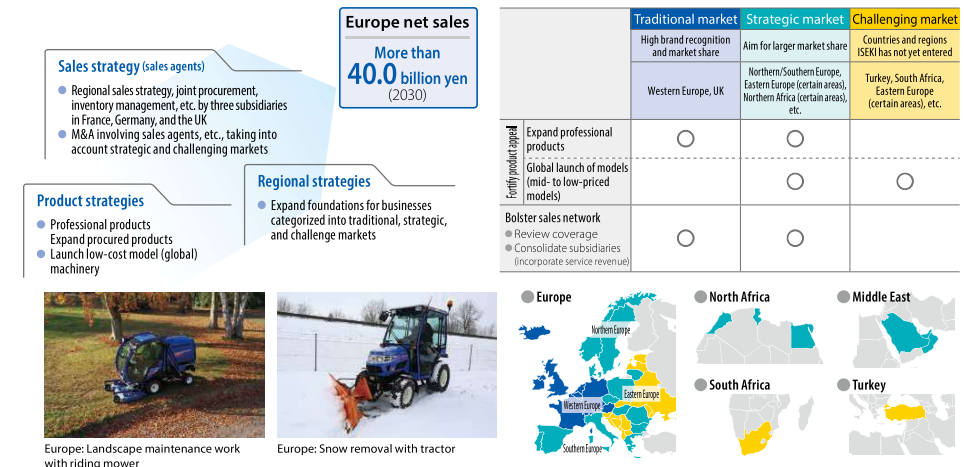
Project Z Measure 1 Regional strategy: Deepen cooperation with sales agents to accelerate business expansion.

Europe

We provide landscape machinery (Non-Agri products) used for tasks such as park mowing, road cleaning, and snow removal, primarily to professional contractors who perform landscape maintenance work for municipalities.

In January 2025, we consolidated Premium Turf-Care Ltd. of the UK as a subsidiary. This resulted in the establishment of a three-company structure in Europe that includes ISEKI France S.A.S. and ISEKI-Maschinen GmbH. We will implement measures to expand our business such as enhancing product offerings through joint procurement by our three-company European structure and transitioning to centralized inventory management to heighten asset efficiency. Furthermore, we will strive to expand our business as an essential partner that delivers solutions tailored to customer needs in the European landscape market by leveraging the know-how and technical capabilities we have accumulated during more than half a century of doing business in Europe, as well as the strengths of each of the three European subsidiaries.

Solidify our position as the No. 1 brand and achieve net sales in Europe of over 40 billion yen



North America

Through our business partnership with AGCO Corporation, a major global manufacturer of agricultural machinery, we supply its Massey Ferguson-brand tractors on an OEM basis. In the North American market, our primary tractor customers are private users, and applications are wide-ranging, including light construction work, landscaping, and snow removal in cold climates. We support the realization of a prosperous lifestyle for individuals by providing OEM products.



North America: Snow removal with tractor

Asia

● East Asia

In East Asia, where demand for after-sales service has grown rapidly in recent years, we will work to further enhance our brand image and customer satisfaction by augmenting initiatives including collaboration with local sales agents to provide support for demonstrations and seasonal service.

● ASEAN

In the ASEAN market, where the population is growing rapidly, we will expand our business by adding new trading partner countries and constructing a comprehensive supply system centered on our consolidated subsidiaries, IST Farm Machinery Co., Ltd. (sales base) and PT ISEKI INDONESIA (production base), to provide sales, services, and delivery to countries in the ASEAN region and surrounding areas. These efforts will help us to contribute to resolving food supply issues in various countries.

Overseas Market Strategies

Project Z Measure 2

Product strategy: Introduce cutting-edge electric products in anticipation of automation and higher agricultural productivity

Europe

There is growing demand for environmentally friendly products in Europe, where environmental awareness is high. We are expanding our lineup of electric products to satisfy these market needs, starting with the SXGE2 electric riding lawn mower that debuted in 2023. In addition to our own products, we will broaden our lineup of procured products, including robotic lawn mowers and electric multipurpose vehicles, with the goal of increasing our presence in the European landscape market.



Europe: Electric riding lawn mower used for mowing in parks and at sports facilities

North America

The vast North American market is characterized by significant regional differences in needs due to climate, working environments, and applications. Given these diverse market characteristics, we are expanding our product lineup in line with the working styles of the various regions.

As part of this, we are augmenting our product lineup for the northern U.S. and Canada to incorporate products designed for winter snow removal and other cold weather applications.

We launched a new model in 2025 that adopts AGCO's new exterior design. In addition to a new exterior, this model offers a more comfortable seat and HST pedal operability, providing a more comfortable operating environment for users.



North America: Compact tractor for private users performing light civil engineering work, lawn mowing, etc.

Asia

East Asia

In East Asian markets, which—like Japan—are experiencing a decline in the agricultural workforce and an aging population, we will grow our business by introducing large-scale products incorporating cutting-edge Japanese technology and proposing more efficient, environmentally friendly agricultural methods.

We launched sales of real-time variable fertilizer rice transplanters in 2024. By reducing excess fertilizer use, we contribute to low-cost agriculture while mitigating environmental pollution, and customers praise our products for environmental friendliness. Boasting the superior technology cultivated in Japan, we will continue accurately ascertaining market needs and providing innovative products, thereby enhancing the value of our market presence.



East Asia: Rice planting with variable fertilizer rice transplanter

ASEAN

In the ASEAN market, there is still robust demand for products that are both competitively priced and durable. We will leverage our collaborative relationship with TAFE, a major Indian agricultural machinery manufacturer with whom we entered into a technical and business alliance in 2018, to broaden our product lineup by securing parts supplies and introducing OEM products from TAFE. This will enable us to achieve a balance between cost competitiveness and quality, with the aim of increasing profits.



ASEAN: TAFE-manufactured compact tractor

TOPIC

ISEKI France S.A.S. celebrates 10-year anniversary of becoming consolidated subsidiary

In 2024, we celebrated 10 years since ISEKI France S.A.S. became a consolidated subsidiary in July 2014.

The predecessor of ISEKI France S.A.S., the former Yvan Beal S.A.S., began selling our products in France in 1967 and has served as the face of ISEKI & Co., Ltd. in France for more than half a century, delivering our products to local customers. Since becoming a consolidated subsidiary, ISEKI France S.A.S. has worked together with the Company to overcome numerous challenges, and both have achieved remarkable growth. We have expanded our sales territory beyond France and are now selling in neighboring countries such as Switzerland and Spain. Furthermore, sales have doubled over the past decade, with both net sales and operating income having reached record highs in the fiscal year ending December 2024. ISEKI France S.A.S. is driving business expansion in Europe and overseas, and will serve a central role in future business development.



10th anniversary party held at the Château de Janvry in the suburbs of Paris

TOPIC

Accelerating expansion of European business through consolidation of UK Premium Turf-Care as a subsidiary

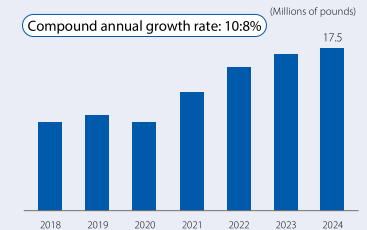
Premium Turf-Care was established in 2018 in Ipswich, about 100 km northeast of London, England. It became a consolidated, wholly owned subsidiary of ISEKI in January 2025.

Despite having only about 20 employees, the company's sales in 2024 reached approximately 3 billion yen (1 pound = 175 yen). Since 2018, growth has continued to be strong, with a compound annual growth rate of 10.8%.

In the UK, as in other European countries, our products are used primarily for landscaping. The company's strength, however, lies in sales to sports facilities such as golf courses and soccer fields, and it has earned the trust of many customers.

In addition to the UK, we also have a sales network in the Middle East. Going forward, we will bolster cooperation with each company under the three-company structure in Europe and accelerate our expansion into new markets outside Europe.

Premium Turf-Care sales trends



Turf maintenance at sports facilities

David Withers, President, Premium Turf-Care

I have been doing business with ISEKI for over three decades, since I worked for Jacobsen—ISEKI's previous sales agent in the UK—and we have built a mutually beneficial relationship. Since Premium Turf-Care was founded, we have been dedicated to selling high-performance, reliable ISEKI products as the top brand of landscaping machinery in the UK.

Based on our conviction that "unless we satisfy our customers, we cannot satisfy our shareholders and other stakeholders," we have grown our business by comprehensively expanding our sales network and providing swift service. Going forward, as a consolidated subsidiary of ISEKI working toward the completion of Project Z, we will strive for further growth and market share expansion.



Premium Turf-Care headquarters (David Withers fourth from left)