

Overseas Market Strategies

Capturing changes in the business environment in each region, we will steadily implement the PDCA cycle of the action plan toward achieving overseas sales of 80.0 billion yen in 2030.

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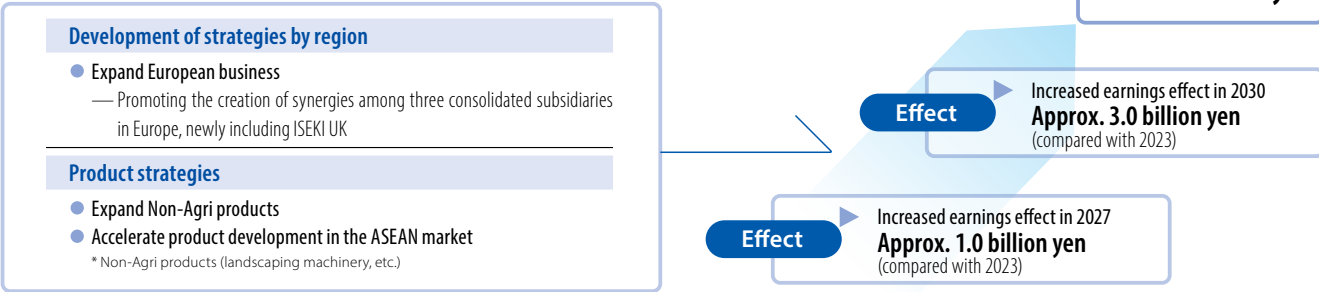


In 2025, the business environment remained unstable due to factors such as the U.S. tariff issue. However, it was a year in which we solidified our business foundation toward achieving Project Z, including welcoming ISEKI UK & IRELAND LIMITED (renamed from PREMIUM TURF-CARE LIMITED in December) as a consolidated subsidiary in January.

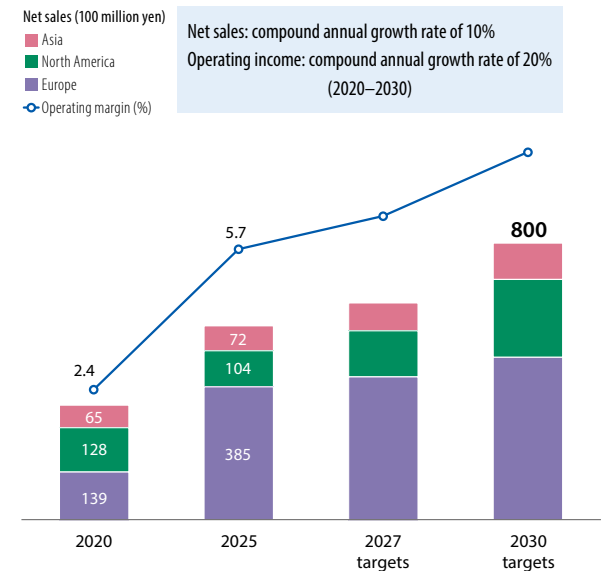
The business environment is expected to remain unpredictable due to factors such as increasing tensions in global affairs. However, with the aim of achieving overseas sales of 80.0 billion yen in 2030, the Company will implement growth strategies through “regional strategies” and “product strategies,” with Europe, North America, and Asia as the three core regions.

Project Z

Growth strategy



Consolidated net sales trends (by region)



Current status of Project Z

Progressing according to plan

Profit increase effect of consolidating ISEKI UK  
**500 million yen**  
(fiscal year ended December 31, 2025)

- In Europe, three companies—ISEKI France S.A.S., ISEKI-Maschinen GmbH, and ISEKI UK—are collaborating to promote integrated operation of sales and inventory management.
- In the ASEAN region, we have expanded the number of countries with which we do business, and are building a competitive lineup by combining products from PT ISEKI Indonesia, the Company's production base, and products produced by TAFE (an Indian agricultural machinery manufacturer with a business partnership).



TG tractors used for cleaning work in parks

ISEKI Group's strengths overseas



Market environment outlook

Europe

- Stable demand for private use
- Although fiscal reforms are continuing in some regions, public investments themselves have been steady
- We expect demand to recover in landscape-related fields as the use of environmentally friendly products increases.

North America

- The compact tractor market is in an adjustment phase after peaking around 2021 (due to stay-at-home demand stemming from the pandemic)
- Expected to stop falling in 2026 and level off in the medium - to long-term
- Uncertainty remains regarding the trends and impact of tariff policy

Asia

- East Asia:** Demand for rice cultivation machinery is decreasing due to factors such as a decrease in the agricultural population and the aging of society. Sales opportunities for upland farming are expanding as crop rotation is encouraged, and needs for large, smart agricultural machinery are solid.
- ASEAN countries:** Agricultural mechanization policies are being promoted in each country. In some regions, farmers' purchasing power continue to decline.

Overseas Market Strategies Toward 2030

Regional strategy:

The Company will expand its business by implementing strategies tailored to regional characteristics through close collaboration with sales agents and AGCO worldwide. We will further strengthen the structure of three consolidated subsidiaries in Europe and optimize the supply chain through the utilization of overseas production bases, which will lead to improved profitability.

Product strategies

The product lineup varies from region to region, depending on the operating environment and applications of the machines. We will expand profitability by accurately identifying regional needs through collaboration with local agencies and launching highly value-added competitive products tailored to market conditions.

By implementing the growth strategy

2030 Overseas sales **80.0 billion yen**

2030 Increased earnings effect **3.0 billion yen**  
(compared with FY2023)

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Overseas Market Strategies

Europe Create synergies through collaboration with European consolidated subsidiaries

In the European business, one of the pillars of the growth strategy under Project Z, the Company made UK distributor ISEKI UK a wholly owned consolidated subsidiary in January 2025. As a result, a three-company European structure bearing the “ISEKI” name was established, consisting of ISEKI France S.A.S., ISEKI-Maschinen GmbH, and ISEKI UK.

In Europe, maintenance and management such as parks, green spaces, and sports facilities is positioned as an essential business that is indispensable for society. In the landscape improvement market, the Group will aim to expand sales and improve earnings by strengthening cooperation among companies and exerting synergies.

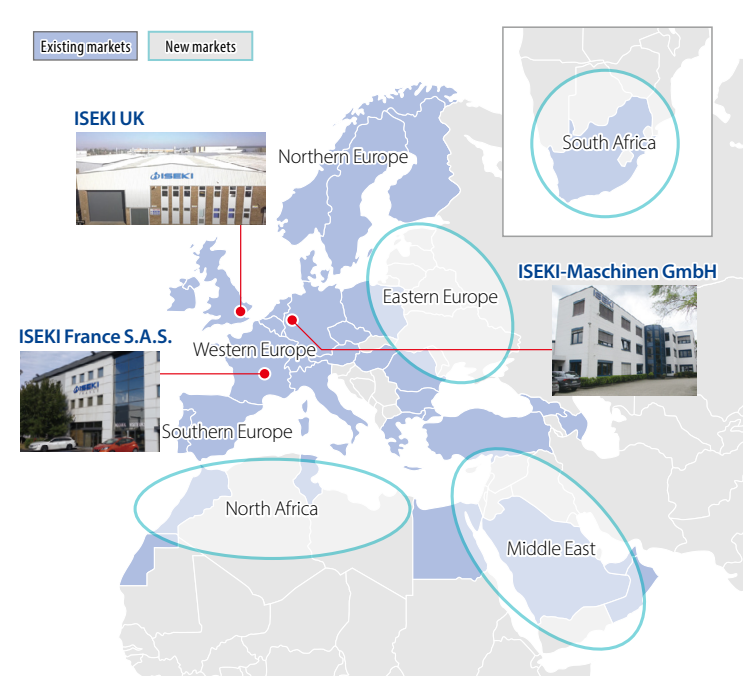
Regional strategy:

Expand sales by deepening existing markets and cultivating new markets

In existing sales areas, the Company will strive to enrich its product lineup in line with customer needs in the landscape improvement market, while strengthening its sales network. In addition, in neighboring countries such as the Middle East and Africa, the Group will promote the development of new customers centered on green space management businesses such as golf courses and sports fields.

Improve profitability through supply chain optimization

In order to prevent an increase in costs due to excess inventory and the loss of sales opportunities due to insufficient inventory, the three Group companies in Europe will promote the optimization of inventory by flexibly allocating inventory according to demand fluctuations. Furthermore, by building optimal transportation routes, we will realize greater efficiency in the entire supply chain and promote improvements in profitability.



Product strategies

Expansion of high value-added Non-Agri products (for landscaping)

The Company is developing products that meet the multimodal needs of professional users and individuals, mainly for landscape improvement applications. Going forward, we will allocate resources more intensively to the development of environmental consideration products, for which demand is expected to increase, and high value-added products equipped with cutting-edge technologies such as automated driving. Through cooperation with our consolidated subsidiaries, we aim to increase the competitiveness of our in-house products and expand the range of merchandise we purchase, thereby expanding the scale of our business.



TH5420 tractors used for maintenance of sports fields in Germany

TOPIC Comment from User:

Chief of Premises Management, Blundell's School, Devon, United Kingdom

It is very important for us to keep the scenery around the facilities beautiful at all times, even under various working conditions. The SXG327 riding mower is resistant to changes in weather and lawn conditions, and provides stable performance. In addition, ISEKI's prompt service response and the fact that we have built a long-term relationship of trust with them is also a major source of reassurance. Thanks to these efforts, we are able to work on landscape development without worrying about troubles.



SXG327: Working on landscape improvement at the school premises

North America: Pioneering the compact car market through collaboration with AGCO

Regional strategy:

Increase market share by utilizing AGCO's sales network

The Company has promoted the development of the Company's products by leveraging the collaboration with AGCO Inc. for more than 30 years and the sales network of AGCO Inc. throughout North America. In the North American market, where a wide variety of needs exist in each region, we conduct on-site evaluations of our products in cooperation with AGCO and local dealerships, and promote product development that captures the changing market environment and customer needs. Going forward, in addition to measures to expand market share through collaboration with AGCO, Inc., the Company will aim to further expand sales by increasing its presence in each region of North America through the development of sales strategies that focus on regional characteristics.

Product strategies

TOPIC Comment from User: Development of high value-added products reflecting customer feedback

The new Premium Tractor MF2M.65, which was launched in Canada at the end of 2025, has received high praise as a tractor that responds to the voices of operators who remove snow on site in a harsh winter environment. An operator who undertakes community snow removal work in Quebec, Canada, commented that the new MF2M.65 is suitable for snow removal work in the early morning when speed and efficiency are required. The tractor's vehicle speed, power, lever layout with excellent operability, etc., enables the work to be done quickly and comfortably.



New MF2M.65 used for snow removal in Canada

Asia Contribute to the stable supply of food by providing mechanized solutions tailored to the market

Regional strategy:

East Asia: Increase customer satisfaction and cultivate the professional user market

Large-scale farmers and contract workers are our main customers in the East Asian market. Aiming to increase its presence in the professional user market, the Company strengthened its prompt service system through collaboration with local distributors. We will promote medium- to long-term sales expansion by further strengthening our sales policies, including support for local exhibitions.

ASEAN: Develop growth market based in Thailand

The Company has developed IST (Thailand) as a sales and service base in the ASEAN region, and has contributed to Thai agricultural mechanization by generating synergies with the timely supply of products from PT ISEKI INDONESIA and TAFE (Indian). We will capture growing demand for mechanization and accelerate business expansion, including sales to neighboring countries.



HJ6135 combine, which is popular in the South Korean market

Product strategies

Concentrate on areas symbolized by the keywords: “large, cutting-edge, field crops, and environment”

In East Asia, the Group sells mainly large, high-value-added machines that are equivalent to flagship models in Japan. Going forward, in order to develop better products, we will thoroughly listen to customers' voices and give back to development sites, and promote the launch of “large,” “cutting-edge,” “field crop,” and “environmental” products that will win out over competitors, and expand earnings.

ASEAN: Expand strategic products through collaboration with TAFE (India) Ltd.

The Company has been supplying products from PT ISEKI (Indonesia) and TAFE (India) for markets that require price competitiveness and durability. By accelerating collaboration with TAFE, we will further raise the level of our production and sales systems and build a competitive product lineup at growth market.



NTZ227, a compact tractor produced by TAFE Co., Ltd. for the ASEAN field crop market

TOPIC Began sales of NT tractors in the Philippines

As part of the growth strategy under Project Z, we are promoting business expansion in the countries surrounding ASEAN, based at IST (Thailand) Co., Ltd. In 2025, the Company began business development in the Philippines through a local agent, and began sales of “NT Series” tractors, which are the Company's mainstay products for the ASEAN region. The Philippines is one of the largest rice-producing countries in the ASEAN region, and the agricultural machinery market is expected to grow over the medium- to long-term. The Group will promote sales of products that make use of the Company's mechanized rice cultivation technology, contribute to local agricultural mechanization, and aim to expand earnings in the ASEAN region.



NT tractors at an exhibition in the Philippines

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What ISEKI Group aims for

Key Points of ISEKI Report 2026

ISEKI Group's value creation

Management strategies to improve corporate value

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