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FOR IMMEDIATE RELEASE

KUBOTA Corporation

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Notice of Establishment of a (Second-Tier) Subsidiary by Kubota's Consolidated Subsidiary

Kubota Corporation (Headquarters: Naniwa-ku, Osaka, Japan; President and Representative Director: Yuichi Kitao; hereinafter "Kubota") hereby announces that the Board of Directors has resolved at a meeting on September 20, 2023 that Kubota and one of its consolidated subsidiaries, Escorts Kubota Limited (Headquarters: Faridabad City, Haryana State, India; Chairman and Managing Director: Nikhil Nanda; hereinafter, "EKL"), will establish a finance subsidiary (Kubota's second-tier subsidiary; hereinafter, the "New Company") in India as follows.

1. Background and purpose of establishment of the New Company

- India is one of the world's largest producers of agricultural products, with its tractor market being among the world's largest. Amid the growing demand for food resulting from population expansion, its agricultural machinery market is expected to expand further, and so is its construction machinery market as urban development projects accelerate there.
- In a bid to meet the domestic demand in India, Kubota manufactures and sells a variety of products, including tractors, combine harvesters, and construction machinery, at EKL, Escorts Kubota India Private Limited (Headquarters: Faridabad City, Haryana, India; CEO: Katsunori Asano; hereinafter, "EKI"), and Kubota Agricultural Machinery India Private Limited (Headquarters: Chennai City, Tamil Nadu State, India; Managing Director: Gurmeet Singh Grewal; hereinafter, "KAI").
- With the establishment of a new finance subsidiary in India, Kubota will start offering fine-tuned loan programs integrated with sales of agricultural machinery and construction machinery, in pursuit of further business expansion there.

2. Outline of the New Company

(1)	Company name	Escorts Kubota Finance Limited	
(2)	Location	Faridabad City, Haryana State, India	
(3)	Title/name of Representative	TBD	
(4)	Business	Offering of financial programs for products by Escorts and Kubota in India	
(5)	Capitalization	Up to 2.0 billion rupees (3.5 billion yen) Paid up ^{*1,2}	
(6)	Time of establishment	December 2023 (scheduled)	
(7)	Shareholders and ownership	EKL	99.9% (up to 19,999,994 shares)
		Others ^{*3}	0.0% ^{*4} (6 shares)
(8)	Relation between Kubota and the New Company, etc.	Capital relationship	Kubota holds 53.5% of the shares of EKL, the parent company of the New Company.
		Personnel relationship	Employees from Kubota and an officer from EKL will assume directorship of the New Company.
		Business relationship	N/A

*1 Exchange rate: 1 rupee =1.77 yen (as of September 19, 2023)

*2 The Board has approved the infusion of Capital up to 2.0 billion rupees as and when required as per the business plan of the New Company.

*3 Pursuant to a legal requirement in India, the following companies will each hold one share of the New Company.

- (1) EKL & Escorts Dealers Development Association Limited
- (2) EKL & Escorts Crop Solutions Limited
- (3) EKL & Escorts Employees Welfare Limited
- (4) EKL & Invigorated Business Consulting Limited
- (5) EKL & EKL CSR Foundation
- (6) EKL & KUBOTA Corporation

*4 The number after the first decimal place are discarded.

3. Outline of EKL

(1)	Company name	Escorts Kubota Limited
(2)	Location	Faridabad City, Haryana State, India
(3)	Title/name of Representative	Chairman and Managing Director: Nikhil Nanda
(4)	Business	Manufacturing and sales of agricultural machinery, construction machinery, etc.
(5)	Capitalization	1.1 billion rupees(1.9 billion yen ^{*1}) Paid Up
(6)	Year of establishment	1944

*1 Exchange rate: 1 rupee =1.77 yen (as of September 19, 2023)

4. Schedule

(1)	Resolution at the Board of Directors	September 20, 2023 (same for Japan and India)
(2)	Time of establishment	December 31, 2023 (scheduled)
(3)	Commencement of business	July 1, 2024 (scheduled)

5. Future Outlook

After its establishment, the New Company will prepare for the commencement of business, including recruitment and system introduction.

Once decided, capital at the time of incorporation of the New Company and a representative of the New Company will be announced.

6. Impact on Business Performance

The financial impact that this matter may have on Kubota's performance is currently under examination. A comprehensive disclosure will be promptly made should any material information arise as a result of the examination.

< Cautionary Statements with Respect to Forward-Looking Statements >

This document may contain forward-looking statements that are based on management's expectations, estimates, projections and assumptions. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results may differ materially from what is forecast in forward-looking statements due to a variety of factors, including, without limitation: general economic conditions in the Company's markets, particularly government agricultural policies, levels of capital expenditures, both in public and private sectors, foreign currency exchange rates, the occurrence of natural disasters, continued competitive pricing pressures in the marketplace, as well as the Company's ability to continue to gain acceptance of its products.

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