Global Warming Prevention

KUBOTA is promoting action under the Mid-term Environmental Conservation Plan to reduce greenhouse gases as a means for preventing global warming.

FY2007 targets

· CO₂ emissions per unit output (CO₂ emissions / Internal manufacturing output)… Reduced 2% over FY2005 CO₂ emission rate during distribution (CO₂ emissions / ton-km)..... Reduced 2% over FY2005

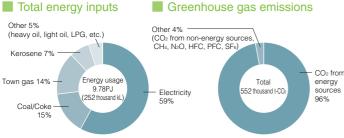
FY2007 results

Target attainment

CO₂ emissions per unit output in fiscal 2007 were reduced 8% in comparison to fiscal 2005, and attained the set target. However, the CO₂ emission rate during distribution increased 3% compared to fiscal 2005 and did not attain the set target.

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Total energy inputs and greenhouse gas emissions

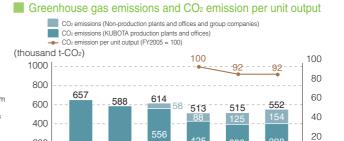


⁽Unit of heat PJ=1015J)

The total energy inputs in fiscal 2007 was 9.78 PJ and greenhouse gas emissions was 552 thousands t-CO2.

Of the forms of energy used, electricity was the most, accounting for 59% of all sources. Discharged greenhouse gases came mostly as CO2 from energy sources

For some time, the KUBOTA Group has been trying to reduce greenhouse gases through energy conservation activities. In fiscal 2007, greenhouse gas emissions were reduced 16% compared to fiscal 1991 and CO₂ emission



0 1991 2003 2004 2005 2006 2007 (FY) * Since FY2004, non-production sites and group companies have been added to calculations. The number of applicable work sites is being gradually increased

* For conversion coefficients, see KUBOTA's website

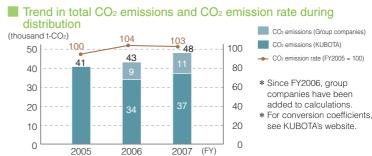
per unit output decreased 8% compared to fiscal 2005. In fiscal 2007, greenhouse gas emissions from nonenergy sources were added to calculations and, because the scope of application was expanded to overseas subsidiaries, greenhouse gas emissions increased by 7% over the previous year.

CO₂ emissions in distribution (Freight shipping and CO₂ emissions)

In fiscal 2007, 430 million ton km of freight were shipped in Japan. The amount of CO2 emissions resulting from that shipping was 48,000 t-CO₂, and the CO₂ emission rate during distribution increased 3% compared to fiscal 2005. For some time, the KUBOTA Group has been promoting



activities to reduce CO2 emissions in distribution and make distribution more efficient, such as to implement modal shift, shorten transport distances, improve loading efficiency and reduce packaging materials. Greater efforts will be made to reduce CO₂ in the future.



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Calculation of greenhouse gas emissions

* Heat conversion coefficients

*in and before fiscal 2004

Fuel: Coefficients are used from the "Table of heat generation by energy source" (revised on March 30,2001)(Agency for Natural Resources and Energy).

Electricity: 9.83MJ/kWh is used from the "Enforcement ordinance of Low Concerning the Rational Use of Energy"(revised on December 27, 2002)

*in and after fiscal 2005

Coefficients are used from the "Enforcement ordinance of Low Concerning the Rational Use of Energy" (revised on March 29, 2006)

* Carbon dioxide emission coefficients

*in and before fiscal 2002

It is calculated using the formula below.

Carbon dioxide equivalent (t-CO2) = carbon equivalent (t-C) × 3.664

And coefficients are used from the "Report on survey on carbon dioxide emissions (1992)" (Environment Agency).

*from fiscal 2003 to fiscal 2004

Coefficients are used from the "Guideline for calculation method of greenhouse gas emissions from private companies (draft ver.1.5) (July 2003, Ministry of the Environment).

- *in and after fiscal 2005
 - Fuel: Coefficients are used from the "Department regulation concerning calculation of greenhouse gas emissions from the business activities of the specified polluters". (March, 2006; the third department regulation of Ministry of Economy, Trade and Industry and Ministry of the Environment)
 - Electricity: Coefficients are used from the Department regulation above and emission coefficients by electricity supplier for domestic values. Coefficients are used from the "Report on estimated survey on unit requirements
 - of carbon dioxide emissions in electric generation divisions in each country-Ver.3 (June 2006)" (The Japan Electrical Manufacturers' Association)

* Targeted area of calculation of carbon dioxide emissions is gradually expanding.

* Only plants and factories of Kubota are targets in and before fiscal 2002. Non-producing shops and subsidiaries also become the targets in and after fiscal 2003. The number of targeted business places is increasing.

- * Greenhouse gases other than energy-originated carbon dioxide are newly added to calculation in fiscal 2006.
- * The values which were calculated in and before fiscal 2005 are not recalculated.
- * Emissions of HFC, PFC and SF6 among greenhouse gases are calculated from January to December in 2006.

Calculation of carbon dioxide emissions in transportation

* Calculation method of carbon dioxide emissions

*Using conventional ton- kilometer method (carbon dioxide emission = ton-kilometer of transportation × unit requirement of carbon dioxide emission by transport vehicle

* Unit requirement of carbon dioxide emissions in truck transportation

*in fiscal 2004: The unit requirement is calculated using the values in the item of "energy consumption to carry a baggage of one metric ton in a distance of one kilometer (in fiscal 2004)" in the "Directory of energy relating to transportation for 2006" (Ministry of Land, Infrastructure and Transport).

*in and after fiscal 2005: The unit requirement is calculated using the values in the item of "energy consumption to carry a baggage of one metric ton in a distance of one kilometer (in fiscal 2005)" in the "Directory of energy relating to transportation for 2007" (Ministry of Land, Infrastructure and Transport).

* Unit requirement of carbon dioxide emissions except for truck transportation

*The values are used in the item of "carbon dioxide emission per ton-kilometer of transportation by transport vehicle" in the "Manual for calculation and report of greenhouse gas emissions (Ver.1.1)" (Ministry of the Environment and Ministry of Economy, Trade and Industry).

* Targeted area of calculation of carbon dioxide emissions is gradually expanding.

*Only Kubota itself is targeted in fiscal 2004. Some subsidiaries also become targets in and after fiscal 2005.