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**RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED
 JUNE 30, 2003 REPORTED BY KUBOTA CORPORATION**

OSAKA, JAPAN, August 7, 2003 ---Kubota Corporation reported today its consolidated results of operations for the three months ended June 30, 2003.

Consolidated Financial Highlights

(In millions of yen and thousands of U.S. dollars except per American Depositary Share ("ADS") amounts)

(1) Results of operations

	Three months ended June 30, 2003	% (*)	Three months ended June 30, 2002	% (*)	Year ended March 31, 2003
Net sales	¥185,187 [\$1,543,225]	(0.1)	¥185,430	-	¥926,145
Operating income	¥9,278 [\$77,317]	(34.9)	¥14,242	-	¥29,613
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	¥11,528 [\$96,067]	(7.5)	¥12,461	-	¥6,156
Net income	¥3,542 [\$29,517]	(36.1)	¥5,546	-	(¥8,004)
Net income per ADS (five common shares)					
Basic	¥13 [\$0.11]		¥20		(¥29)
Diluted	¥13 [\$0.11]		¥19		(¥29)

Notes. 1 : (*) represents percentage change from the comparable previous period.

2 : The United States dollar amounts included herein represent translations using the approximate exchange rate on June 30, 2003, of ¥120 = US\$1, solely for convenience.

(2) Anticipated results of operations for the six months ending September 30, 2003, and the year ending March 31, 2004
 (In millions of yen)

	Six months ending September 30, 2003 (Revised)	Year ending March 31, 2004 (Not revised)
Net sales	¥430,000	¥910,000
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	¥17,000	¥10,000
Net income	¥6,500	¥5,000

Basic net income per ADS for the year ending March 31, 2004 is anticipated to be ¥19.

1. Review of Operations and Financial Condition

During the three months under review, net sales were ¥185.2 billion, a decrease of ¥0.2 billion (0.1 %) from the prior period. Sales in Internal Combustion Engines and Machinery, the leading segment increased by ¥6.9 billion (6.2 %) mainly due to strong sales of tractors in the U.S.A. Sales in Pipes, Valves, and Industrial Castings also increased by ¥1.7 billion (5.8 %) principally due to the expanded export sales of ductile iron pipes to Middle East countries. In addition, sales in Building Materials and Housing increased by ¥0.3 billion (1.9 %) mainly due to sales of condominiums. On the other hand, sales in Environmental Engineering declined by ¥5.5 billion (38.7 %), because sales of large orders were not recorded during the period under review. Sales in the Other segment also decreased by ¥3.7 billion (22.3 %), affected by the sale of our leasing subsidiary at the beginning of the period under review. Accordingly, total net sales during the three months under review decreased slightly from the prior period. (See page 4, “Consolidated Net Sales by Product Group”.)

Operating income decreased ¥5.0 billion (34.9%) to ¥9.3 billion. Although sales in Internal Combustion Engines and Machinery segment increased, a cost reduction program was implemented and a gain was recorded from the sale of our leasing subsidiary, because of the significant increase of pension cost of ¥8.6 billion from the prior period, which was caused mainly by the immediate recognition of unrecognized actuarial losses (*), operating income declined from the prior period.

Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies fell ¥0.9 billion (7.5%) to ¥11.5 billion due mainly to the decrease in foreign exchange losses of ¥5.0 billion. As a result, net income during the three months under review was ¥3.5 billion, a decrease of ¥2.0 billion (36.1%) from the prior period.

(*) Pension accounting adopted by the Company:

In order to solve quickly the issue of the unrecognized actuarial loss of the plan fund's status, the Company recognizes immediately actuarial losses in excess of 20% of the benefit obligation, and amortizes actuarial losses between 10% to 20% over the average participants' remaining service period (about 15 years). The Company forecasts the expenses of actuarial losses will increase by approximately ¥46.4 billion to ¥52.0 billion during the year ending March 31, 2004, compared to the expenses of ¥5.6 billion during the prior year.

2. Prospect for the Fiscal Year

Looking ahead, the Company revised forecasts of consolidated net sales for the six months ending September 30, 2003 to ¥430.0 billion, an increase of ¥10.0 billion compared with the forecast on May 22, 2003 of ¥420.0 billion. This increase reflects the favorable sales in Internal Combustion Engines and Machinery, and recording sales of several projects in Environmental Engineering during the first half of the year, which were originally scheduled to be recorded during the second half of year.

Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of

affiliated companies are expected to increase by ¥10.0 billion, to ¥17.0 billion. This is principally due to the gains from the sale of our leasing subsidiary, and gains on sales of investment securities, foreign exchange gains as well as the increasing net sales mentioned above. Accordingly net income during the six months ending September 30, 2003 is expected to be ¥6.5 billion, an increase of ¥3.5 billion.

The forecasts of the results for the year ending March 31, 2004 are unchanged. Under the favorable situations of increasing sales and net income during the six months ending September 30, 2003, the results of the year ending March 31, 2004 are expected to improve. However, the business environment through the whole year remains unclear, and there is a possibility of one-time charges resulting from a reorganization of the building materials business. As a result, the Company decided not to revise the original forecasts of the results for the year ending March 31, 2004.

Forecast of the results of the parent company only:

As for the results for the six months ending September 30, 2003, the Company also revised the forecasts of the results of the parent company based on the same future outlook as in the aforementioned consolidated basis, and the revised forecasts are as follows : sales ¥295.0 billion, an increase of ¥10.5 billion compared with the forecast on May 22, 2003, ordinary income ¥12.0 billion, an increase of ¥6.0, and net income ¥7.0 billion, an increase of ¥2.0 billion. The forecasts of the results for the year ending March 31, 2004 are also unchanged for the same reason as in the consolidated basis.

< Cautionary Statements with Respect to Forward-Looking Statements >

Projected results of operations and other future forecasts contained in this report are the estimates of the Company based on information available to the Company as of this published date. Therefore, those projections include certain potential risks and uncertainties. Accordingly, the users of this information are requested to note that the actual results could differ materially from those future projections. Major factors that could influence the ultimate outcome include the economic condition surrounding the Company, foreign exchange rates, agricultural policy in Japan, the trend of public investment and private capital expenditure in Japan, the price-competitive pressure in the market, the ability for the Company to manufacture or innovate the products which will be accepted in the market. And the user of the information should be aware that factors that could influence the ultimate outcome of the Company are not limited to the factors above.

Consolidated Net Sales by Product Group

(In millions of yen)

	Three months ended June 30, 2003		Three months ended June 30, 2002		Change		Year ended March 31, 2003	
	Amount	%	Amount	%	Amount	%	Amount	%
Farm Equipment and Engines	107,779	58.2	100,787	54.4	6,992	6.9	399,368	43.1
Domestic	46,901	25.3	48,306	26.1	(1,405)	(2.9)	204,186	22.0
Overseas	60,878	32.9	52,481	28.3	8,397	16.0	195,182	21.1
Construction Machinery	10,505	5.7	10,570	5.7	(65)	(0.6)	44,801	4.9
Domestic	4,230	2.3	4,397	2.3	(167)	(3.8)	21,317	2.4
Overseas	6,275	3.4	6,173	3.4	102	1.7	23,484	2.5
Internal Combustion Engine & Machinery	118,284	63.9	111,357	60.1	6,927	6.2	444,169	48.0
Domestic	51,131	27.6	52,703	28.4	(1,572)	(3.0)	225,503	24.4
Overseas	67,153	36.3	58,654	31.7	8,499	14.5	218,666	23.6
Pipes and Valves	24,575	13.2	23,322	12.6	1,253	5.4	145,561	15.7
Domestic	21,200	11.4	22,486	12.1	(1,286)	(5.7)	135,480	14.6
Overseas	3,375	1.8	836	0.5	2,539	303.7	10,081	1.1
Industrial Castings	6,231	3.4	5,789	3.1	442	7.6	31,656	3.4
Domestic	3,888	2.1	3,810	2.1	78	2.0	23,531	2.5
Overseas	2,343	1.3	1,979	1.0	364	18.4	8,125	0.9
Pipes, Valves & Industrial Castings	30,806	16.6	29,111	15.7	1,695	5.8	177,217	19.1
Domestic	25,088	13.5	26,296	14.2	(1,208)	(4.6)	159,011	17.1
Overseas	5,718	3.1	2,815	1.5	2,903	103.1	18,206	2.0
Environmental Engineering	8,706	4.7	14,191	7.6	(5,485)	(38.7)	136,381	14.7
Domestic	8,358	4.5	13,825	7.4	(5,467)	(39.5)	134,521	14.5
Overseas	348	0.2	366	0.2	(18)	(4.9)	1,860	0.2
Building Materials	13,264	7.1	14,068	7.6	(804)	(5.7)	57,352	6.2
Domestic	13,264	7.1	14,068	7.6	(804)	(5.7)	57,352	6.2
Condominiums	1,424	0.8	347	0.2	1,077	310.4	6,998	0.8
Domestic	1,424	0.8	347	0.2	1,077	310.4	6,998	0.8
Building Materials & Housing	14,688	7.9	14,415	7.8	273	1.9	64,350	7.0
Domestic	14,688	7.9	14,415	7.8	273	1.9	64,350	7.0
Other	12,703	6.9	16,356	8.8	(3,653)	(22.3)	104,028	11.2
Domestic	12,445	6.8	16,068	8.7	(3,623)	(22.5)	100,869	10.9
Overseas	258	0.1	288	0.1	(30)	(10.4)	3,159	0.3
Total	185,187	100.0	185,430	100.0	(243)	(0.1)	926,145	100.0
Domestic	111,710	60.3	123,307	66.5	(11,597)	(9.4)	684,254	73.9
Overseas	73,477	39.7	62,123	33.5	11,354	18.3	241,891	26.1