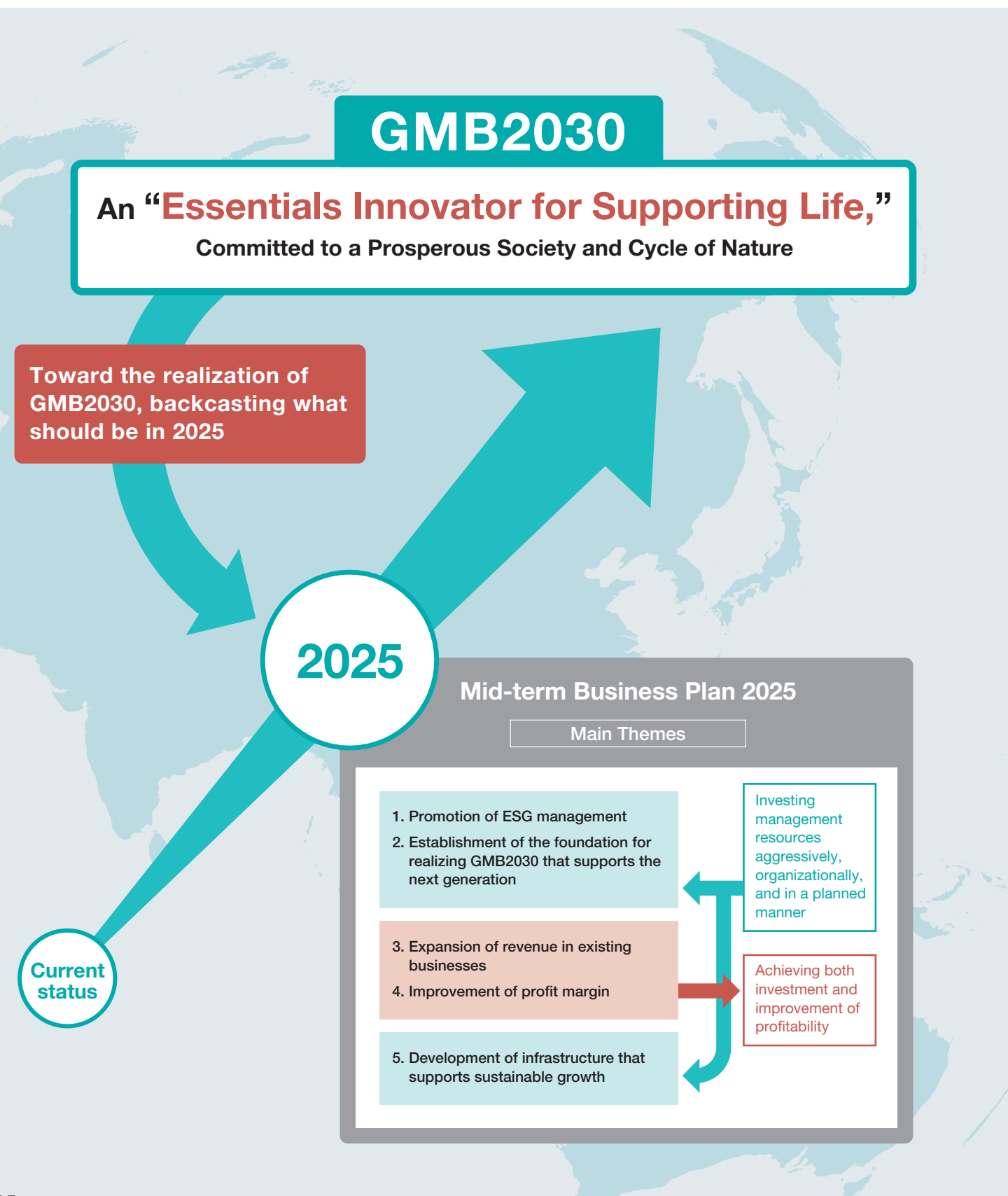


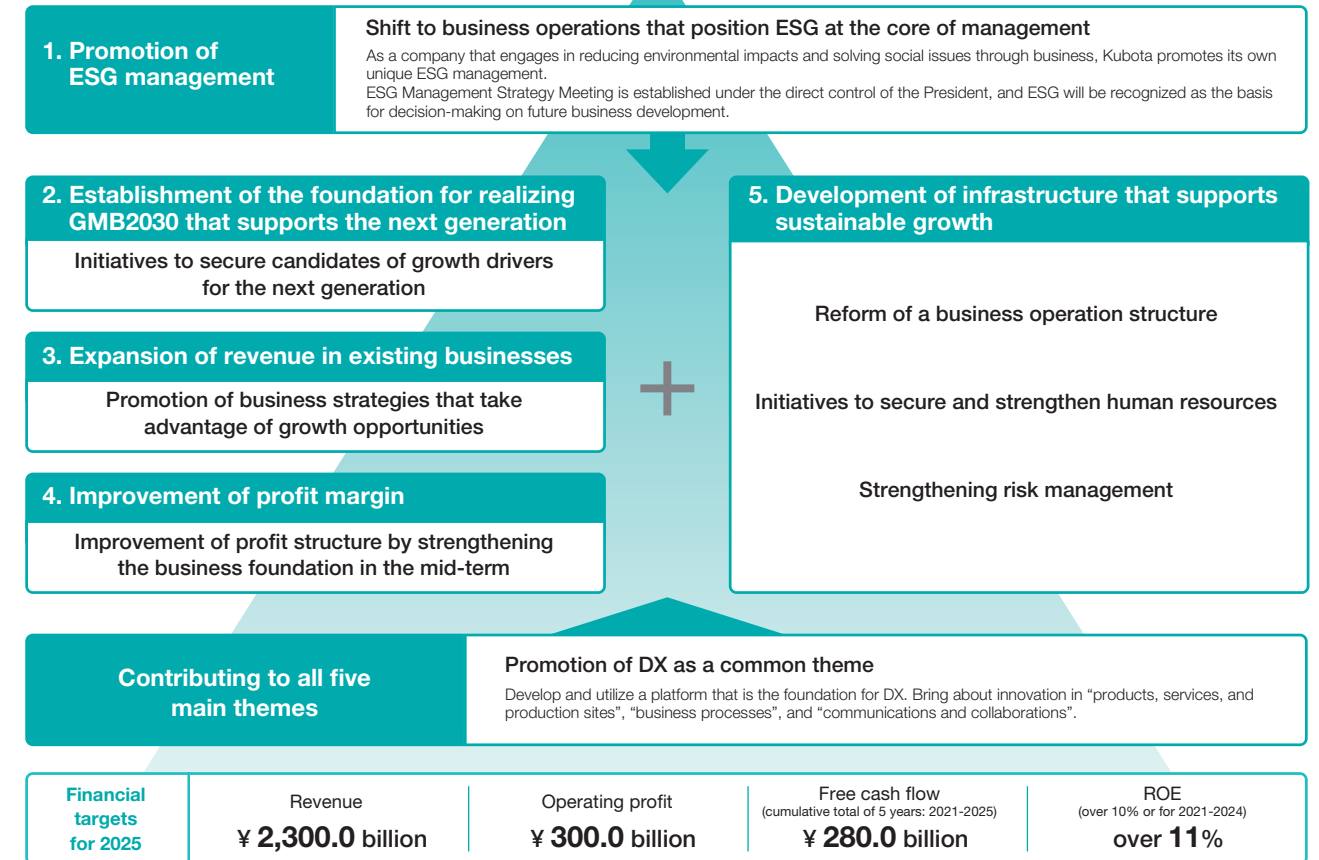
Mid-term Business Plan 2025

Kubota positions the 5 years in Mid-term Business Plan 2025 as the period to complete the establishment of foundation for the realization of GMB2030, and the entire group will work together on the 5 main themes.



Outline of Mid-term Business Plan 2025

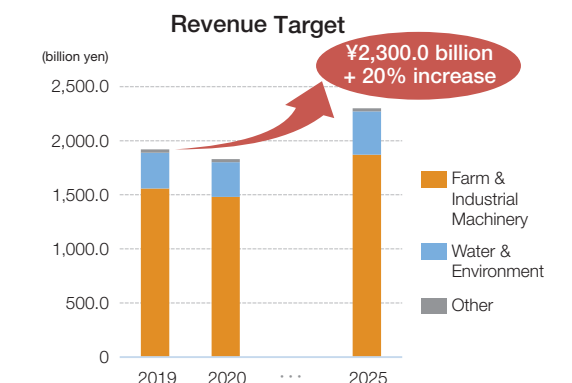
GMB2030



Financial targets for 2025	Revenue	Operating profit	Free cash flow (cumulative total of 5 years: 2021-2025)	ROE (over 10% or for 2021-2024)
	¥ 2,300.0 billion	¥ 300.0 billion	¥ 280.0 billion	over 11%

Financial Targets (PL) of Mid-term Business Plan 2025

(billion yen)	2019.12 (Actual)	2025.12 (Target)	Changes from FY2019	
			Amount	%
Revenue	1,920.0	2,300.0	+380.0	+19.8
Farm & Industrial Machinery	1,558.3	1,870.0	+311.7	+20.0
Water & Environment	330.1	400.0	+69.9	+21.2
Other	31.6	30.0	-1.6	-5.1
Operating profit	10.5% 201.7	13.0% 300.0	+98.3	+48.7



Financial Targets (Other) of Mid-term Business Plan 2025

	2019 (Actual)	2021-2025 (Target)
ROE	10.7%	Maintain over 10% / over 11% in 2025
Shareholder return ratio	42.7%	Set the mid-term target of over 40%, and aim at 50%
Operating cash flow	82.4 billion yen	880.0 billion yen (cumulative total of 5 years)
Free cash flow	-12.4 billion yen	280.0 billion yen (cumulative total of 5 years)

Mid-term Business Plan: Specific Initiatives

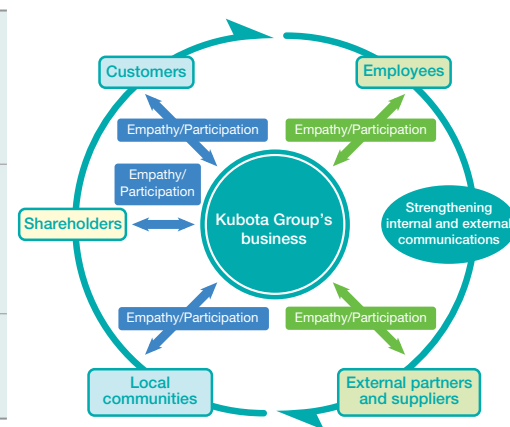
Shift to business operations that position ESG at the core of management

Kubota will promote ESG management using the company's own approach to advance initiatives that are more ESG aware than ever. As a company that engages in reducing environmental impacts and solving social issues through business, ESG Management Strategy Meeting and ESG Promotion Department are established under the direct control of the President in order to promote its own unique ESG initiatives (K-ESG) in addition to general initiatives. ESG Management Strategy Meeting is positioned as the institution that determines the Group's important business management policies, and ESG will be recognized as the basis for decision-making on future business development. We will also add stakeholder contribution as a perspective to the S (Society) of ESG, and provide all stakeholders with opportunities to contribute to solving social issues through gaining empathy with and participation in Kubota's business.

K-ESG (examples)

E: Environment	<ul style="list-style-type: none"> Formulating an environmental vision (See the Full Version page 41 for details) Initiatives aiming at carbon neutral by 2050 Promoting resource recycling as a business (environmental impact reduction + CO₂ reduction) Commercialization of reducing environmental impact in manufacturing
S: Society	<ul style="list-style-type: none"> Promoting to solve social issues as a business ⇒ Realization of the concept that "Growth of Kubota's business leads to solution of social issues" Providing all stakeholders with opportunities to contribute to solving social issues through gaining "empathy" and "participation" for Kubota's business
G: Corporate Governance	<ul style="list-style-type: none"> Expanding internal communication ⇒ Unification of intentions in a range of management to all employees Promoting appropriate information disclosure to each stakeholder

Relationship with stakeholders



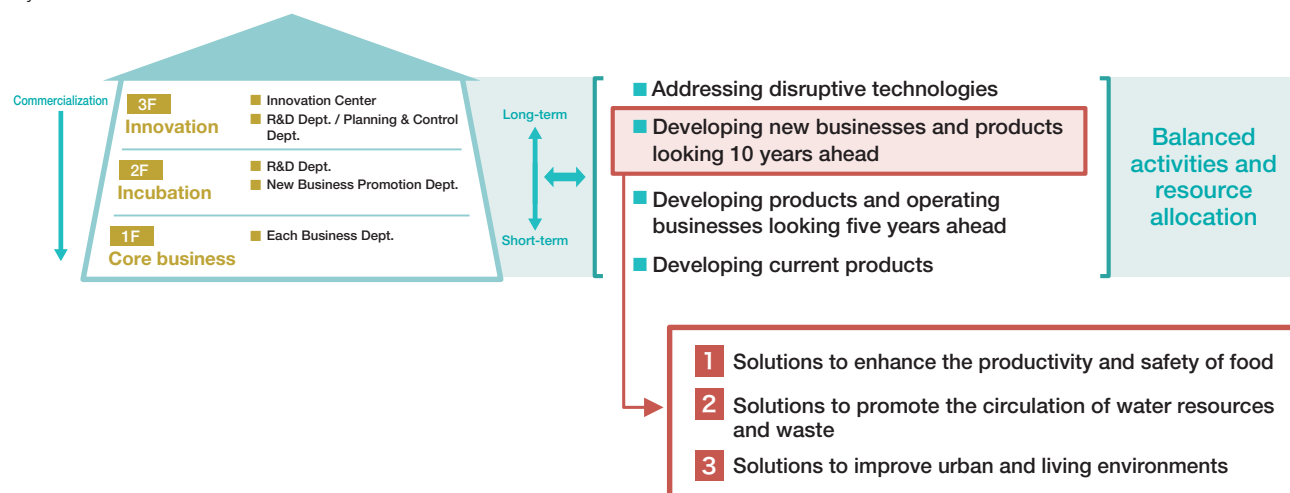
Initiatives to secure candidates of growth drivers for the next generation

Establishment of a structure from selection of themes to commercialization

The ESG Management Strategy Meeting oversees the selection of development themes, R&D organizational structure and role sharing, as well as business incubation in order to realize GMB2030 as important matters for the future.

Initiatives of R&D and commercialization

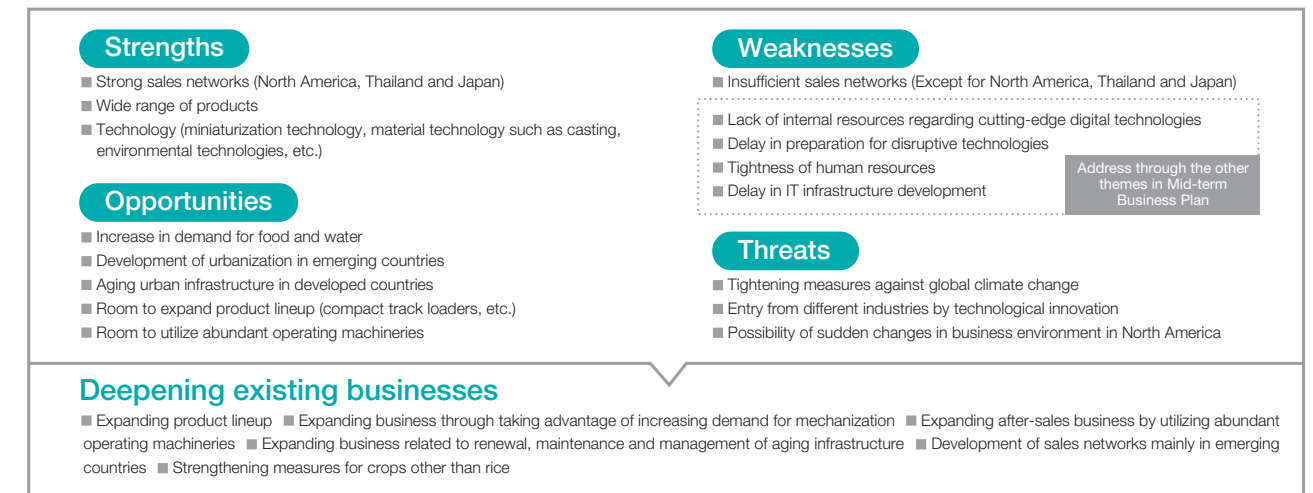
Aiming to secure multiple business models, products, services, and market candidates that become the growth drivers in the next generation by 2025



Promotion of business strategies that take advantage of growth opportunities

Status-analysis and basis strategies

Analyze the current situation, and then deepen our existing businesses.



Setting and promoting growth drivers

The following businesses are positioned as growth drivers for the next five years.

North America/Construction Machinery Business

Aiming for a significant increase in market share by expanding product lineup and locally integrated operations of development, production, and sales

Farm & Industrial Machinery/After-market Business

Aiming to expand "after-sales business" by utilizing abundant operating machineries on a global level

ASEAN/Farm & Industrial Machinery Business

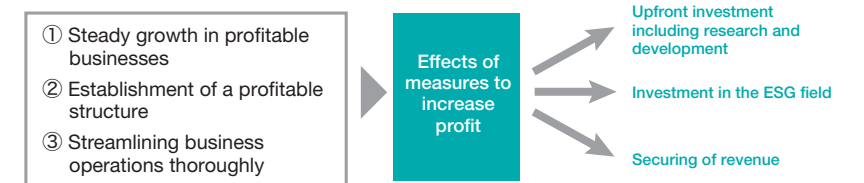
Aiming for a further increase in sales of farm equipment and construction machinery along with urbanization

Water & Environment/Solution Business

Aiming to shift from equipment sales-oriented business to O&M- and solution-oriented business by utilizing IoT and other technologies

Improvement of profit structure by strengthening the business foundation in the mid-term

Sustainable growth requires proactive resource investment, as well as investments to prepare for various risks such as disasters, improvements to the working environment and other purposes in the ESG field. We will address measures as described to the right to generate investment resources without causing profit margins to decline.



Development of infrastructure that supports sustainable growth

- Reform of a business operation structure** Transforming operation structure in response to globalization
- Initiatives to secure and strengthen human resources** Strengthening human resources who support sustainable growth by strengthening recruitment and cultivation, as well as providing opportunities
- Strengthening risk management** Developing and expanding organization that can develop countermeasures more actively in response to various risks

Promotion of DX as a common theme

Bringing about innovation in "products, services, and production sites", "business processes", and "communications and collaborations" by developing and utilizing a platform that is the foundation for DX, and ensuring the promotion of the five main themes

