

Farm & Industrial Machinery

Our main products are the agricultural machinery and agriculture-related products that carry the weight of a brighter future for people and food on their shoulders, and the engines and construction machinery that are helping to make people's lives richer



Tractors

used mainly in agricultural operations, including tillage, leveling and transportation.

The Kubota Group's major products



●Combine harvesters

used for simultaneous harvesting and threshing of crops such as rice, wheat and pulses.



●Rice transplanters

used to transplant rice seedlings to rice paddies, contributing significantly to labor-saving.



●Utility vehicles

useful in a variety of operations, including agricultural work, civil engineering and leisure activities.



●Mini excavators

used in civil engineering and other operations; especially useful in narrow work areas, such as city streets.



●Compact track loaders

used mainly for transporting and stacking tasks (at construction sites, farms, etc.).



●Engines

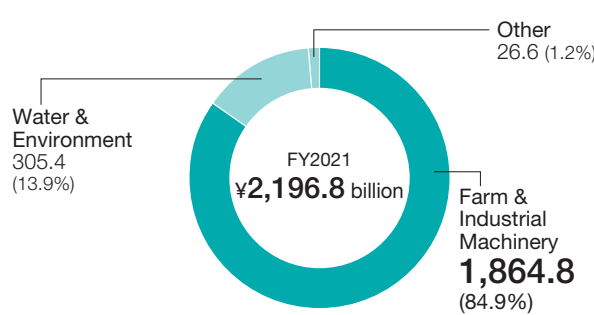
responding to a variety of needs as compact industrial engines.

Outline for FY2021

Revenue in this segment increased by 23.6% from the prior year to ¥1,864.8 billion, and accounted for 84.9% of consolidated revenue. Domestic revenue increased by 6.0% from the prior year to ¥310.5 billion, and overseas revenue increased by 27.8% from the prior year to ¥1,554.3 billion.

Profit in this segment increased by 39.1% from the prior year to ¥250.4 billion. This increase was due mainly to massively increased domestic and overseas revenue, price rises, and improved exchange rates, among other factors, despite factors that reduced profit, such as the dramatic increase in the price of raw materials and logistics costs.

Revenue by Reportable Segment (billions of yen)

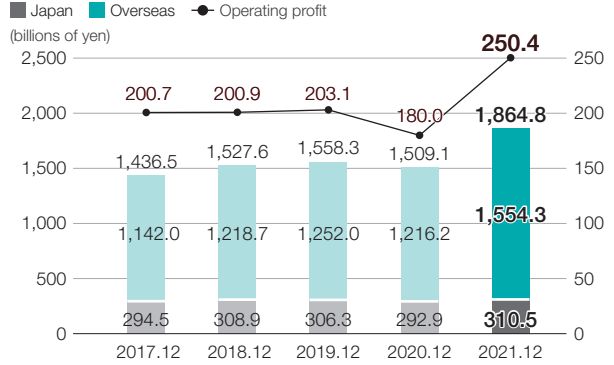


Agricultural machinery

Using the technologies we have cultivated at farms over many years, we work with agricultural machinery that is used for rice farming and dry-field farming. Including with the more than 5.1 million tractors that we have produced in total around the world, we are supporting the world's food production with a wide range of agricultural machinery.

Engines

We cater to a large number of diverse customer needs with a lineup that comprises around 3,000 types of industrial engines for both internal use and external sale. Our engines have impressive technology to respond to environmental requirements, able to clear strict emission regulations. We contribute to the development of the world's industries and to environmental conservation as a leading manufacturer of compact industrial engines.



* Owing to changes in organizational structure, "Air-conditioning equipment" previously included in the Farm & Industrial Machinery segment has been included in the Water & Environment segment since FY2020. Amounts related to "Financial services businesses" are reported in "Finance income" in the "Farm & Industrial Machinery" segment, whereas they were formerly reported in the "Other" segment. Accordingly, "Air-conditioning equipment" has been reclassified and restated for FY2019, and "Financial services businesses" has been reclassified and restated for FY2020.

Agriculture-related products

We support the work of farmers with a wide-ranging product lineup that closely meets their needs, including implements that connect to the back of our tractors, or related machinery that can be used for fruit and vegetables. Our subsidiaries such as Kverneland Group and Great Plains Manufacturing, Inc. take the lead in feeding the world.

Construction machinery

For 20 years in a row, we have been the world's top seller of mini excavators.* Our lineup of construction machinery is able to meet the needs of users, including for attachments, with compact track loaders and skid-steer loaders for which demand in North America is high. In this way, we are making our contribution to better living environments for the world.

* Since 2002, from "Off-highway Research 2021."

TOPICS

Increasing our stake in India's Escorts

Escorts Limited was a major player in the Indian tractor market, the world's largest. It was also a prominent manufacturer of construction and other machinery. With a merger in 2019, we established a manufacturing company, and in 2020, through investment, we deepened our ties with the company, which has a great deal of developmental and production expertise in the basic tractor field. Foreseeing future growth in the Indian market, but also in the basic tractor market in other countries, particularly developing ones, we decided to increase our stake in Escorts. We aim to increase our share of the Indian tractor market to 25% by 2030, and will study the viability of developing and manufacturing agricultural and construction machinery for markets in developing countries.



Water & Environment

To ensure every person on this planet has access to safe water, our major products are those related to the water pipelines that support the foundations of society and industry, and other environmental products

The Kubota Group's major products



● Ductile iron pipes

used in infrastructure, including water, sewage and agricultural water pipelines.



● Pumps

used to pump water in water and sewage lines, agriculture and forestry, and in the rainwater market.



● Valves

used to control the flow of fluids or gases in water, sewage, agriculture, etc.



● Johkasou

used to treat wastewater in areas where there are no sewage lines.



● Materials and steel pipes

used at petrochemical and steel plants, and in civil engineering and automotive fields



● Waste incinerator plants / ash and melting furnace plants

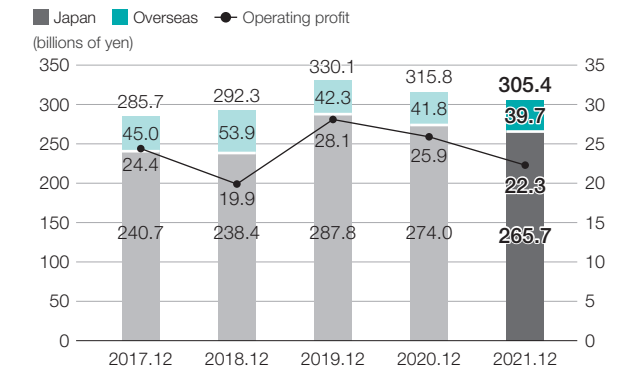
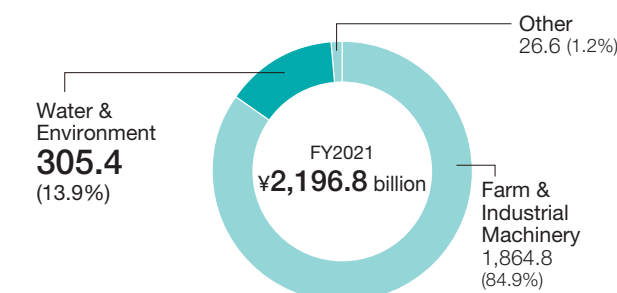
used to incinerate and reduce the volume of municipal waste, as well as to contribute to decarbonization of society by generating electricity utilizing high-temperature waste heat.

Outline for FY2021

Revenue in this segment decreased by 3.3% from the prior year to ¥305.4 billion, and accounted for 13.9% of consolidated revenue. Domestic revenue decreased by 3.0% from the prior year to ¥265.7 billion, and overseas revenue decreased by 5.2% from the prior year to ¥39.7 billion.

Profit in this segment decreased by 14.1% from the prior year to ¥22.3 billion due to reduced domestic revenue and dramatic rise in the price of raw materials.

Revenue by Reportable Segment (billions of yen)



* Owing to changes in organizational structure, "air-conditioning equipment" previously included in the Farm & Industrial Machinery segment has been included in the Water & Environment segment since FY2020. Accordingly, the same category has been reclassified and restated for FY2019.

Ductile iron pipes, plastic pipes, and valves for the public sector

Since the founding of our company, we contributed to Japan's water infrastructure, particularly by developing and manufacturing water pipes. Our water pipes have been praised around the world and we have supplied them to more than 70 countries. In recent years, we have helped to construct resilient infrastructure, focused on our earthquake-resistant ductile iron pipes, using DX.

Air-conditioning equipment, etc.

We produce air-conditioning equipment that creates comfortable, safe, and secure environments. We cater to clean air-conditioning needs, which have grown in the past few years, from products designed for large buildings such as office buildings, hospitals, factories, or research facilities, to commercial air humidifier-purifiers.

Materials/Spiral welded steel pipes

Formed and fabricated materials are parts and components formed through the application of heat and force to materials. They are used at petrochemical and steel plants. Spiral welded steel pipes are steel pipes that have been shaped and welded to form a spiral shape. They are used in the foundations of bridges and other architectural projects. Founded on our excellent material development technologies and processing technologies, these products are widely used in the petrochemical and steel industries, in civil engineering, and in automotive fields, due to their high quality and trustworthiness.

Environmental plants, pumps, and valves for the private sector

We have developed technologies and services that respond to the needs of society, whether it be the water treatment plants and equipment that supply and recover safe water, the pumps that help in disaster countermeasures, the valves that support various factories, or recycling plants that recycle waste produced in people's daily lives and business activities. Going forward, we will help to build a recycling-based society that considers the global environment.

TOPICS

Investment in Ichikawa Kankyo Holdings

For more than half a century, the Ichikawa Kankyo Group has garnered high praise from the waste treatment industry for its pioneering efforts, which have included biomass power generation and plastic recycling. Both Kubota and Chubu Electric Power Co., Inc. have now each acquired a 27.8% stake in the group.

Recently, as SDGs-related initiatives have become more important, interest in a recycling-based business—one in which unused resources such as food waste and waste plastics can be tapped—is growing. By the help of Ichikawa Kankyo Holdings, we aim to utilize our deep recycling technologies—waste treatment that uses incinerators, melting furnaces, crushers, and other equipment—to create a resource-recycling solutions business that will help give shape to that recycling-based society.

