

Financial Results for FY 2025 1st Quarter

Financial Summary for FY 2025 1st Quarter

(Unit: billions of yen)	FY 2025 1Q	FY 2024 1Q	Changes	
			Amount	%
Revenue	712.6	775.2	-62.7	-8.1
Japan	164.7	154.1	+10.6	+6.9
Overseas	547.9	621.1	-73.3	-11.8
Operating profit	8.6% 61.6	13.3% 103.0	-41.3	-40.2
Profit before income taxes	8.9% 63.1	13.7% 106.1	-43.0	-40.5
Profit attributable to owners of the parent	5.8% 41.3	9.4% 72.9	-31.6	-43.3
1USD (JPY)	153	149		
1EUR (JPY)	161	161		
1THB (JPY)	4.50	4.17		

The effect of foreign exchange rate on revenue against LY was +8.0 billion yen.



Machinery: 609.9 billion yen (YoY: -70.3)

Conditions in each market

Japan

The demand of agricultural machinery has remained at the same level as the previous year due to the decline in number of farmers, although income increase is expected due to the rise in rice prices.

North America

While there are no signs of a decline in demand for CE in the housing and infrastructure sectors, caution regarding the economic sentiment has begun to emerge. In the tractor business, a slowdown in the market is becoming more pronounced in both the residential and agricultural sectors. As for sales, a decrease was expected due to the impact of previous year's inventory replenishment, and this was in line with Company's plan.

Europe

The market continues to be affected by weak economic conditions and investments, but the extent of contraction has eased compared to the previous year. In some regions, the CE market has shown a sign of modest recovery.

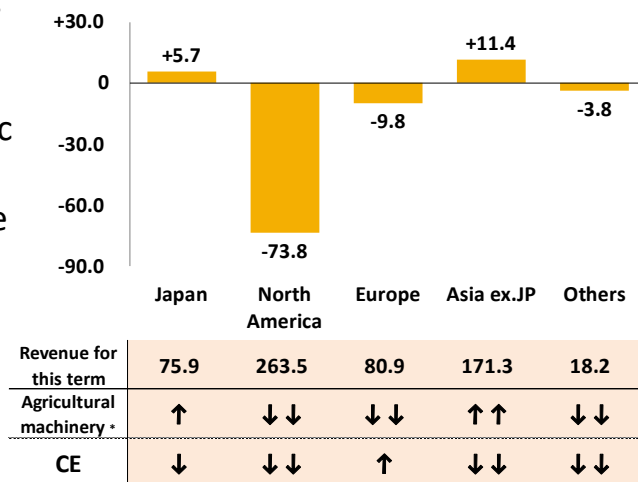
Asia except Japan

In Thailand, the dryland market is sluggish in some areas due to a decline in crop quality caused by flood, but the rice market remains robust and is on par with the previous year. In India, both crop yields and market sentiment are steady, supported by sufficient water reserves.

Others

The Australian market is weakening due to a slowdown in economic sentiment, but the contraction is getting milder.

■ YoY Changes in revenue (Billions of yen)



* Tractors, combine harvesters, and rice transplanters

↑ / ↓ : under 10%
↑↑ / ↓↓↓ : 10% or more

Water & Environment: 98.7 billion yen (YoY: +8.4)

Conditions in each market

Pipe system

While the trend of shifting from ductile iron pipes to alternative pipes continues, the market of ductile iron pipes is steady due to the demand for earthquake resistance. The demand of plastic pipes is slightly weak in both infrastructure and housing markets.

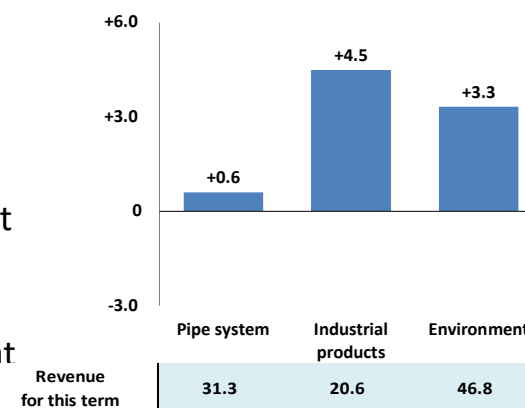
Industrial products

In the cracking tubes market, overseas demand for new plant investments remains stable. Orders for air-conditioning equipment related to semiconductor factories have calmed down, but investment in heat-resistant solutions against heat wave is actively ongoing.

Environment

The demand for plants and pumps business remains stable and the outlook is also positive with the announcement of the national resilience plan. The market of wastewater treatment is steady supported by demand from factories in Japan.

■ YoY Changes in revenue (Billions of yen)

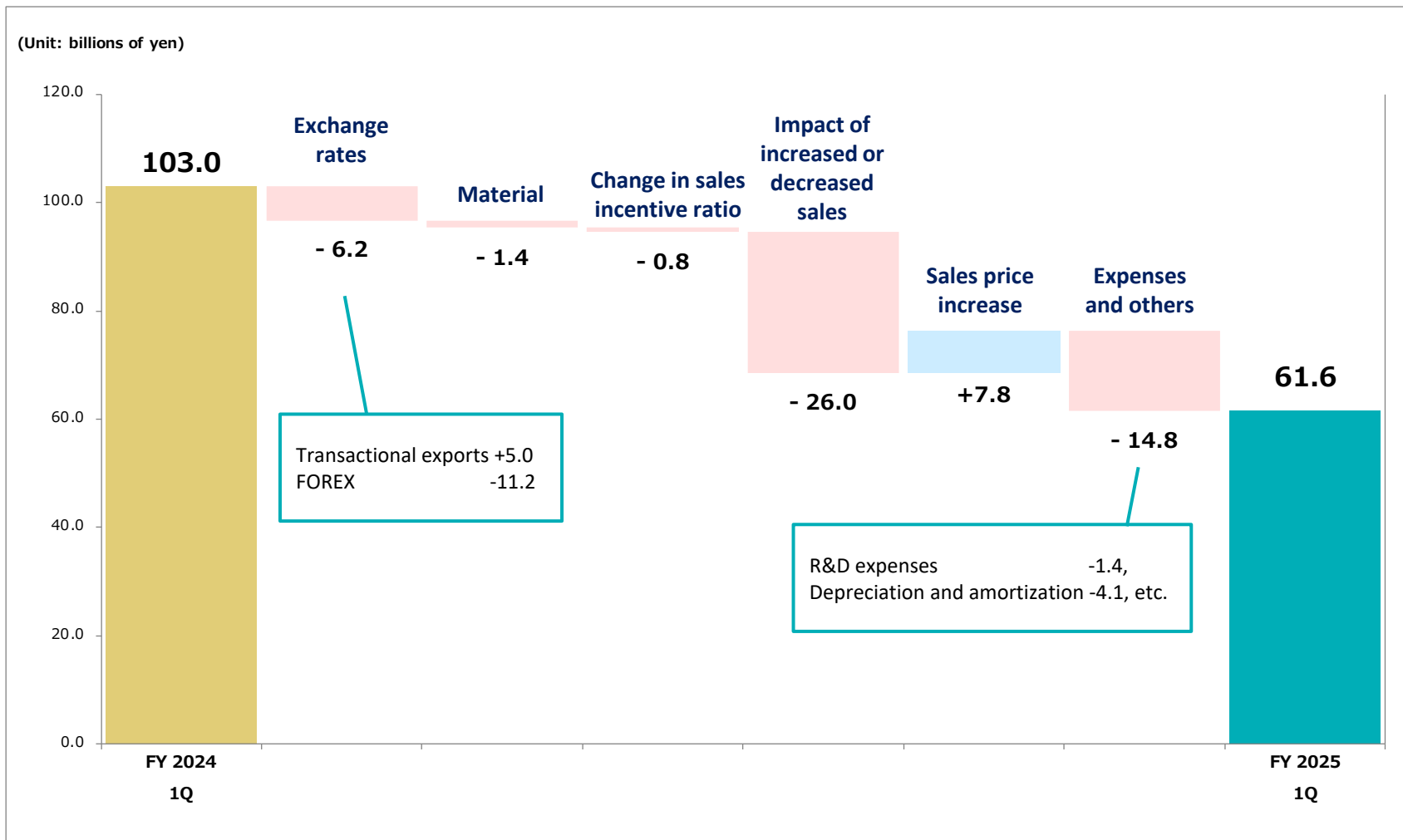


Other: 3.9 billion yen (YoY: -0.8)

Other is mainly comprised of a variety of other services such as logistics.

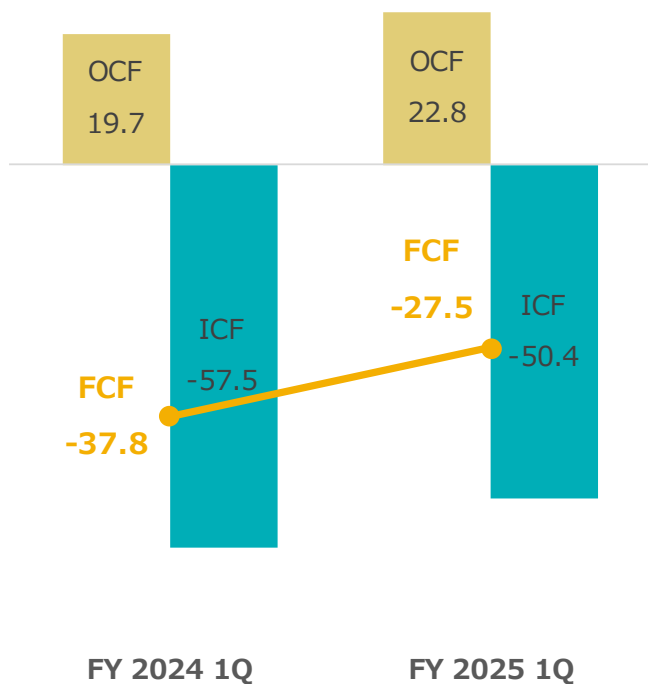
Operating Profit

Profit analysis (YoY change -41.3 billion yen)



Free Cash Flow: -27.5 billion yen (YoY: +10.3)

(billions of yen)



FY 2025 1Q

OCF YoY: +3.1

With the decrease in sales and the thorough management of inventory, the burden of working capital was reduced.

ICF YoY: +7.2

Capital investment is planned to decrease compared to the previous year.

FCF

Improved by 10.3 billion yen compared to the previous year

OCF: Cash Flows from Operating Activities
ICF: Cash Flows from Investing Activities

For Earth, For Life

Kubota

Appendix

Supplementary data of U.S.

■ YoY growth rate of retail sales units in tractor market by horsepower

		Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2024	0-40hp	-17.0%	-12.0%	-19.4%	-7.6%	-13.8%	-15.5%	-14.0%
	40-120hp	-8.4%	-9.8%	-12.3%	-11.5%	-9.2%	-10.3%	-10.6%
	120-160hp	-2.6%	+29.1%	-6.8%	-25.8%	+15.3%	+7.2%	-2.5%
2025	0-40hp	-14.0%	-	-	-	-	-	-
	40-120hp	-13.1%	-	-	-	-	-	-
	120-160hp	-28.2%	-	-	-	-	-	-

Source: AEM (Association of Equipment Manufacturers)

■ YoY growth rate of retail sales units in mini-excavator market (0-6t)

	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2024	-14.2%	-13.7%	-16.9%	+1.7%	-13.9%	-14.9%	-10.5%
2025	-6.6%	-	-	-	-	-	-

Source: AEM (Association of Equipment Manufacturers)

■ YoY growth rate of retail sales units in compact track loader market

	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2024	-6.9%	+6.4%	-6.0%	+9.6%	+0.2%	-1.9%	+1.5%
2025	-4.3%	-	-	-	-	-	-

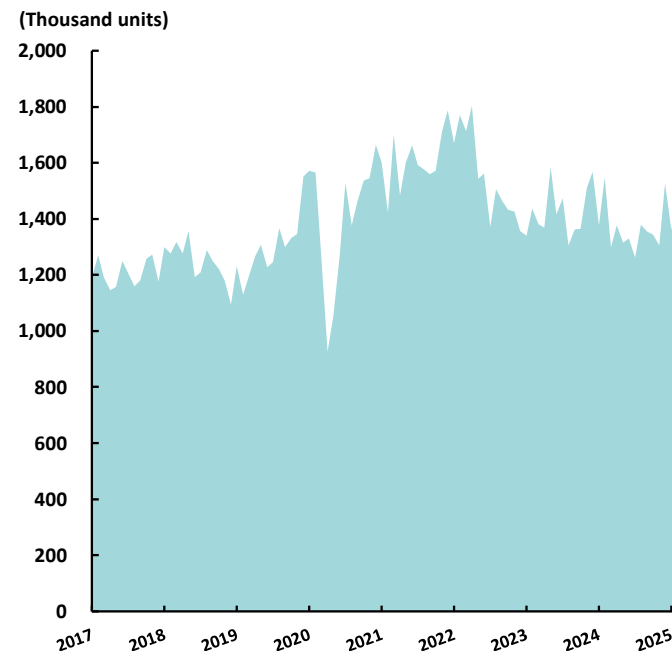
Source: AEM (Association of Equipment Manufacturers)

■ YoY growth rate of retail sales units in skid steer loader market

	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2024	+3.0%	-12.1%	-12.3%	-7.2%	-5.6%	-7.9%	-7.7%
2025	-1.6%	-	-	-	-	-	-

Source: AEM (Association of Equipment Manufacturers)

■ New privately owned housing units started (Seasonally adjusted annual rate)



Source: U.S. Census Bureau

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.
