



For Earth, For Life
Kubota

Financial Results for FY 2026

1st Quarter

May 8, 2026

KUBOTA Corporation

Financial Summary for FY 2026 1st Quarter

(Unit: billions of yen)	FY 2026 1Q	FY 2025 1Q	Changes	
			Amount	%
Revenue	810.0	712.6	+97.5	+13.7
Operating profit	12.1% 98.0	8.6% 61.6	+36.4	+59.1
Profit before income taxes	12.7% 102.8	8.9% 63.1	+39.7	+62.8
Profit attributable to owners of the parent	9.0% 73.3	5.8% 41.3	+31.9	+77.2
1USD (JPY)	157	153		
1EUR (JPY)	184	161		

► Breakdown of revenue by business segment

(Unit: billions of yen)	FY 2026 1Q	FY 2025 1Q	Changes	
			Amount	%
Machinery	700.8	609.9	+90.9	+14.9
Farm Equipment and Engines	535.0	480.9	+54.1	+11.2
Construction Machinery	165.9	129.0	+36.9	+28.6
Water & Environment	105.2	98.7	+6.4	+6.5
Other	4.0	3.9	+0.1	+2.2

Excluding the impact of foreign exchange rates, revenue increased by 65.0 billion yen and operating profit increased by 12.5 billion yen.

Revenue changes by region and business segment

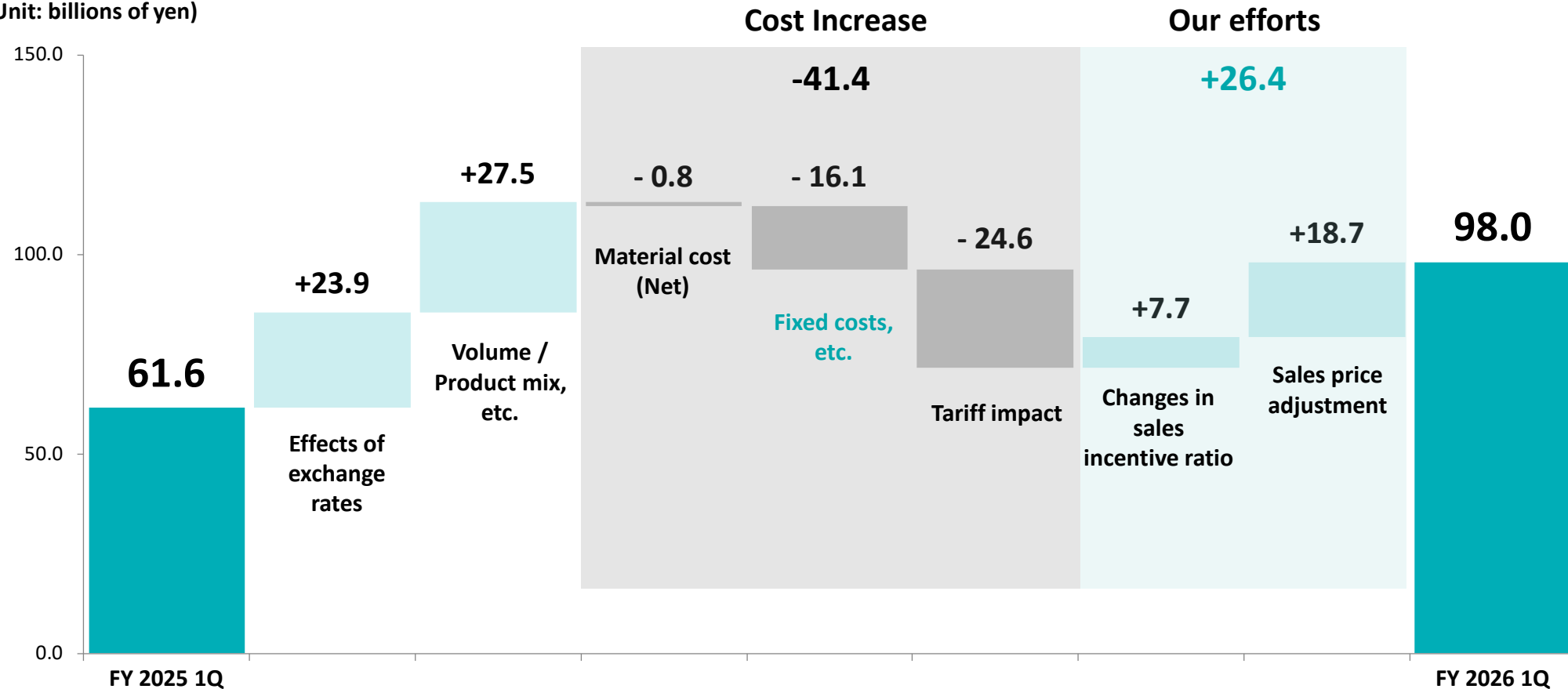
(Unit: billions of yen)		FY 2026 1Q	FY 2025 1Q	Changes	Changes*	*Excl. foreign exchange effects						
						FY 2026 1Q	FY 2025 1Q	Changes	Changes*			
Machinery	by region	Japan	90.4	75.9	+14.5	+14.5	by business segment	Farm Equipment and Engines	535.0	480.9	+54.1	+30.4
		North America	320.7	263.5	+57.2	+47.2		Construction Machinery	165.9	129.0	+36.9	+29.1
		Europe	101.8	80.9	+20.9	+9.4						
		Asia and Others	187.9	189.6	-1.6	-11.6						
			700.8	609.9	+90.9	+59.5			700.8	609.9	+90.9	+59.5
Water & Environment			105.2	98.7	+6.4	+5.9						

	Market Situation	Retail Situation	Wholesales and Production Situation
Machinery	<p>Japan</p> <p>The agricultural machinery market continues to follow a growth trend, supported by solid investment demand among rice farmers.</p>	<p>Retail sales remained solid, steadily capturing demand and exceeded the previous year.</p>	<p>Production capacity increase progressed steadily in response to robust demand, and shipments were accelerated.</p>
	<p>North America</p> <p>The 0-40 HP segment faces some uncertainty, but the 40-100 HP segment remains resilient, underpinned by improving livestock farmer incomes. The construction machinery market continues to grow steadily, supported by stable housing investment and solid public and private construction investment.</p>	<p>Tractor retail sales expanded, driven by mid-size tractors led by the new MX series, despite some adjustments in utility vehicles. Construction machinery retail sales also surpassed prior year on new model launches.</p>	<p>Tractor wholesales increased as inventory normalization progressed. Construction machinery wholesales increased through planned restocking ahead of system transitions.</p>
	<p>Europe</p> <p>The tractor market shows early recovery signs in the 0-60 HP segment. The 60-180 HP segment faces commodity price headwinds but maintains prior year levels overall. The construction machinery market continues to recover, supported by the increasing materialization of government policies across countries.</p>	<p>Both tractor and construction machinery retail sales exceeded prior year. The EK series expansion is steadily capturing growth in the basic tractor market.</p>	<p>Tractor wholesales increased to build inventory ahead of spring demand. Construction machinery wholesales also exceeded prior year on demand recovery.</p>
	<p>Thailand</p> <p>The Thai market remains in an adjustment phase, affected by crop prices and fuel/fertilizer costs.</p>	<p>The Thai retail sales faces challenging conditions, but new model promotions are minimizing the decline.</p>	<p>In Thailand, production is being adjusted to secure profitability and healthy inventory levels.</p>
	<p>India</p> <p>The Indian market continues to grow, supported by government rural support policies and favorable crop conditions.</p>	<p>In India, retail sales continues to expand, driven by strong market growth.</p>	<p>In India, wholesale is expanding on market growth, steadily capturing growth opportunities.</p>
Water & Environment	<p>Demand for seismic reinforcement of core infrastructure under the National Resilience Plan remains steady. The air-conditioning market also performs solidly, driven by heat mitigation demand.</p>	<p>Strengthened proposal activities aimed at securing orders, primarily for O&M and PPP (public-private partnership) projects.</p>	<p>—</p>

Operating Profit

Profit analysis (YoY change +36.4 billion yen)

(Unit: billions of yen)



Although **fixed costs, etc. increased by 16.1 billion yen** year on year, the increase in controllable costs was contained at 11.0 billion yen excluding logistics costs and accounting factors. As a result, the pace of increase slowed, but this still fell short of the mid-term target (increase rate of 3% or less).

Key Balance Sheet Items, Cash Flows

Key Balance Sheet Items

*Year-on-year changes exclude foreign exchange effects

Finance receivables (YoY +6.7 billion yen)

The increase in finance receivables was managed to a minimum despite the increase in sales.

Inventories (YoY +11.6 billion yen)

Inventories increased due to replenishment ahead of system transitions and restocking in the recovering European construction machinery market.

Trade receivables (YoY -8.6 billion yen)

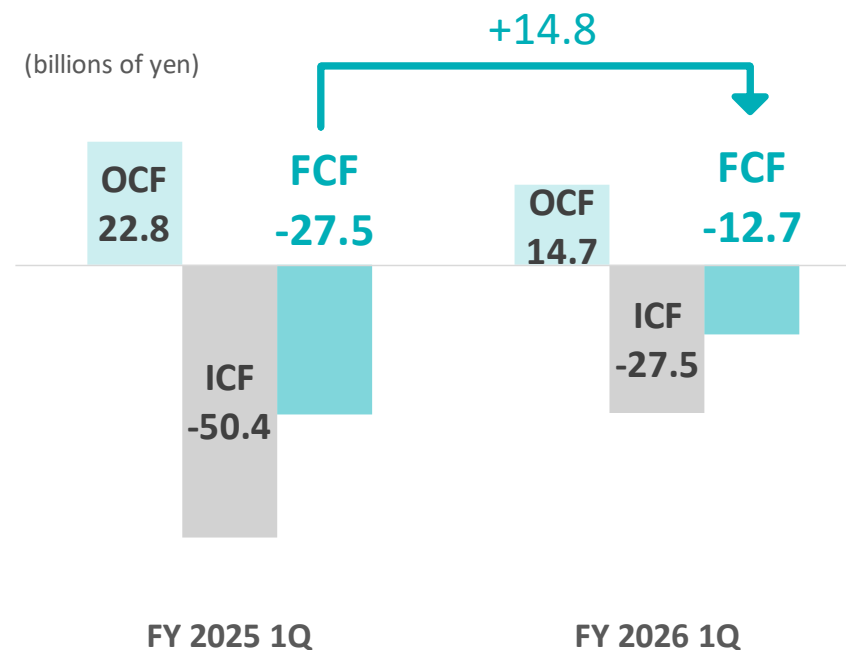
Trade receivable declined as dealer inventories were reduced.

Compared with the same period of the previous year

	As of Mar. 31, 2026	As of Mar. 31, 2025	Changes	Changes excl. the effects of currency fluctuation
Finance receivables	2,195.8	2,031.2	+ 164.6	+ 6.7
Inventories	745.1	682.9	+ 62.2	+ 11.6
Trade receivables	1,094.4	1,042.0	+ 52.4	- 8.6

FCF -12.7 billion yen (YoY +14.8)

OCF declined due to an increase in working capital, while ICF was mitigated by a reduction in the capital expenditure. FCF improved by 14.8 billion yen year on year and progressed in line with the initial plan.



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

For Earth, For Life
Kubota

Appendix: Statement of Financial Position

Compared with the previous fiscal year-end

(Unit: billions of yen)	As of Mar. 31, 2026	As of Dec. 31, 2025	Changes	Changes excl. the effects of currency fluctuation
Cash and cash equivalents	238.4	277.0	- 38.6	- 41.5
Trade receivables	1,094.4	1,001.7	+ 92.7	+ 82.7
Finance receivables	2,195.8	2,221.3	- 25.5	- 49.8
Inventories	745.1	688.9	+ 56.3	+ 51.0
Intangible assets	927.5	940.4	- 12.9	- 14.9
Other	1,064.0	1,075.7	- 11.7	
Total assets	6,265.2	6,204.9	+ 60.3	
Bonds and borrowings	2,277.9	2,242.1	+ 35.8	+ 12.8
Trade payables	282.4	296.4	- 14.0	- 13.8
Other	771.9	793.4	- 21.6	
Total liabilities	3,332.2	3,331.9	+ 0.3	
Shareholder Equity	2,687.2	2,623.0	+ 64.3	
Noncontrolling interests	245.8	250.0	- 4.3	
Total equity	2,933.0	2,873.0	+ 60.0	
Total liabilities and equity	6,265.2	6,204.9	+ 60.3	

Appendix: Financial Services (Management-based internal control)

Statement of Financial Position

(Unit: billions of yen)	As of Mar. 31, 2026		As of Dec. 31, 2025	
	Financial services	Equipment operations	Financial services	Equipment operations
Total assets	2,496.7	3,768.5	2,577.7	3,627.2
Cash and cash equivalents	74.2	164.1	51.0	226.0
Trade receivables	23.3	1,071.1	27.2	974.5
Finance receivables	2,195.8	-	2,221.3	-
Inventories	-	745.1	-	688.9
Property, plant, and equipment	18.9	908.6	19.7	920.6
Other	184.5	879.5	258.6	817.2
Total liabilities	2,012.4	1,319.8	2,113.7	1,218.2
Total interest-bearing liabilities	1,847.7	430.2	1,960.8	281.3
Other	164.7	889.6	152.9	936.9
Total equity	484.3	2,448.7	464.0	2,409.0

Delinquency rate of retail finance receivables

(Unit: billions of yen)	As of Mar. 31, 2026	As of Dec. 31, 2025	Changes	
	Amount	Amount	Amount	%
Balance of receivables	2,235.5	2,257.6	-22.1	-1.0
Over 90 days delinquent payment	30.6	23.8	+6.8	+28.6
Delinquency rate	1.4%	1.1%	-	+ 0.3P

Appendix: Supplementary data of the U.S.

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

		Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Dec.
2025	0-40 HP	-12.7%	-6.3%	-0.5%	-19.5%	-9.0%
	40-100 HP	-11.3%	-5.3%	+6.3%	-7.5%	-4.0%
	100-160 HP	-19.4%	-21.1%	-7.3%	-12.3%	-15.2%
2026	0-40 HP	-8.7%	-	-	-	-
	40-100 HP	+0.0%	-	-	-	-
	100-160 HP	-13.8%	-	-	-	-

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.-Dec.
2025		-6.6%	+4.5%	+11.3%	-3.4%	+1.3%
2026		+1.1%	-	-	-	-

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.-Dec.
2025		-4.3%	+9.3%	+18.8%	+9.1%	+8.6%
2026		+13.8%	-	-	-	-

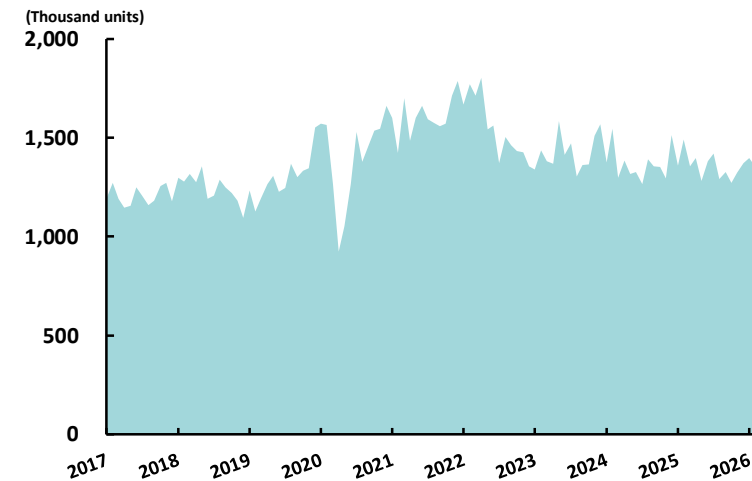
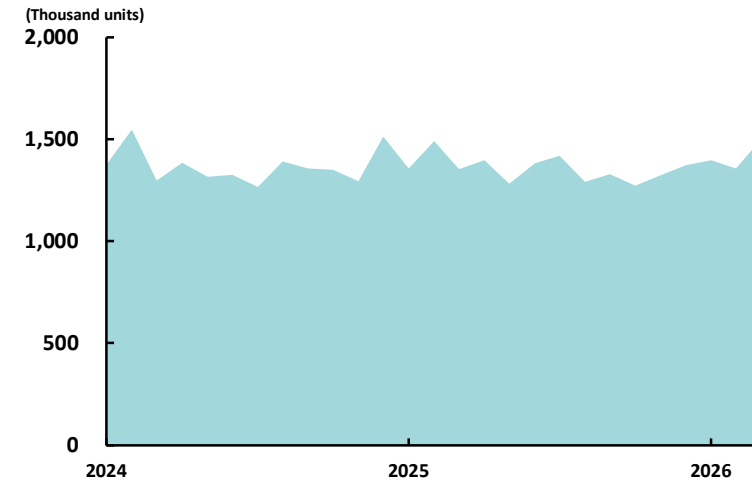
Source: AEM (Association of Equipment Manufacturers)

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

		Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Dec.
2025		-1.6%	-1.2%	+3.2%	+9.0%	+3.3%
2026		-11.7%	-	-	-	-

Source: AEM (Association of Equipment Manufacturers)

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



Source: U.S. Census Bureau

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.