

**KUBOTA Corporation**

Contact: IR Section  
 Corporate Planning and Control Dept.  
 2-47, Shikitsuhigashi 1-chome,  
 Naniwa-ku, Osaka 556-8601, Japan  
 Phone: +81-6-6648-2645

**RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 [IFRS]**

Kubota Corporation hereby reports its consolidated results for the nine months ended September 30, 2021.

**Consolidated Financial Highlights****1. Consolidated results of operations for the nine months ended September 30, 2021****(1) Results of operations**

(Unit: millions of yen, except earnings per share)

	Nine months ended Sept. 30, 2021	Change [%]	Nine months ended Sept. 30, 2020	Change [%]
Revenue	¥ 1,641,640	21.0	¥ 1,356,794	(7.1)
Operating profit	¥ 211,503	62.8	¥ 129,887	(21.8)
Profit before income taxes	¥ 213,788	54.1	¥ 138,740	(19.0)
Profit for the period	¥ 160,917	51.7	¥ 106,104	(18.6)
Profit attributable to owners of the parent	¥ 146,628	52.0	¥ 96,468	(21.2)
Comprehensive income for the period	¥ 215,190	261.9	¥ 59,461	(49.3)
Earnings per share attributable to owners of the parent:				
Basic	¥ 121.38		¥ 79.31	
Diluted	-		-	

**(2) Financial condition**

(Unit: millions of yen)

	Sept. 30, 2021	Dec. 31, 2020
Total assets	¥ 3,492,082	¥ 3,189,317
Total equity	¥ 1,734,556	¥ 1,574,185
Equity attributable to owners of the parent	¥ 1,631,613	¥ 1,476,039
Ratio of equity attributable to owners of the parent to total assets	46.7%	46.3%

Note:

Change [%] represents the percentage change from the same period in the prior year.

**2. Cash dividends**

(Unit: yen)

	Cash dividends per common share		
	Interim	Year-end	Total
Year ending Dec. 31, 2021	¥ 21.00	¥ 21.00 (forecast)	¥ 42.00 (forecast)
Year ended Dec. 31, 2020	¥ 17.00	¥ 19.00	¥ 36.00

### 3. Forecasts of operations for the year ending December 31, 2021

(Unit: millions of yen, except earnings per share)

	Year ending Dec. 31, 2021	Change [%]
Revenue	¥ 2,150,000	16.0
Operating profit	¥ 260,000	48.3
Profit before income taxes	¥ 263,000	41.5
Profit attributable to owners of the parent	¥ 183,000	42.4
Earnings per share attributable to owners of the parent - Basic	¥ 151.49	

Notes:

1. Change [%] represents the percentage change from the same period in the prior year.
2. Please refer to the accompanying materials, "1. Review of operations and financial condition (3) Forecasts for the year ending December 31, 2021" on page 6 for further information related to the forecasts of operations.

### 4. Other information

(1) Changes in significant subsidiaries during the nine months ended September 30, 2021 (changes in specified subsidiaries resulting in the changes in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

- a) Changes in accounting policies required by IFRS: None
- b) Changes in accounting policies due to reasons other than a) above: None
- c) Changes in accounting estimates: None

(3) Number of common shares issued

- a) Number of common shares issued including treasury shares as of September 30, 2021 : 1,208,576,846  
Number of common shares issued including treasury shares as of December 31, 2020 : 1,208,576,846
- b) Number of treasury shares as of September 30, 2021 : 533,677  
Number of treasury shares as of December 31, 2020 : 643,937
- c) Weighted-average number of common shares outstanding during the nine months ended September 30, 2021 : 1,207,963,253  
Weighted-average number of common shares outstanding during the nine months ended September 30, 2020 : 1,216,264,726

(Information on the status of the quarterly review by the independent auditor)

This release is not subject to the quarterly review by the independent auditor.

(Method of obtaining supplementary materials on the financial results)

Kubota Corporation plans to hold a result briefing (conference call) for institutional investors and securities analysts on November 5, 2021. The supplementary material will be published on the Company's website on the same day.

< 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.

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## **1. Review of operations and financial condition**

### **(1) Summary of the results of operations for the nine-month period**

For the nine months ended September 30, 2021, revenue of Kubota Corporation and its subsidiaries (hereinafter, the "Company") increased by ¥284.8 billion [21.0%] from the same period in the prior year to ¥1,641.6 billion.

Domestic revenue increased by ¥10.3 billion [2.4%] from the same period in the prior year to ¥446.1 billion because of increased revenue in Farm & Industrial Machinery mainly due to increased sales of farm equipment, despite a decrease in revenue in Water & Environment and Other.

Overseas revenue increased by ¥274.5 billion [29.8%] from the same period in the prior year to ¥1,195.6 billion because of significantly increased sales of farm equipment and construction machinery, while revenue in Water & Environment decreased from the same period in the prior year.

Operating profit increased by ¥81.6 billion [62.8%] from the same period in the prior year to ¥211.5 billion mainly due to significantly increased revenue in the domestic and overseas markets and favorable impact of foreign exchange rates, while there were some negative effects from increased fixed costs along with an increase in production and operating activities and a rise in material prices. Profit before income taxes increased by ¥75.0 billion [54.1%] from the same period in the prior year to ¥213.8 billion due to increased operating profit. Income tax expenses were ¥55.4 billion. Share of profits of investments accounted for using the equity method was ¥2.5 billion. Profit for the period increased by ¥54.8 billion [51.7%] from the same period in the prior year to ¥160.9 billion. Profit attributable to owners of the parent increased by ¥50.2 billion [52.0%] from the same period in the prior year to ¥146.6 billion.

Revenue from external customers and operating profit by each reportable segment were as follows:

#### **1) Farm & Industrial Machinery**

Farm & Industrial Machinery is comprised of farm equipment, agricultural-related products, engines, and construction machinery.

Revenue in this segment increased by 26.5% from the same period in the prior year to ¥1,408.0 billion and accounted for 85.8% of consolidated revenue.

Domestic revenue increased by 7.7% from the same period in the prior year to ¥238.8 billion. Sales of farm equipment and agricultural-related products increased due to a recovery from adverse reaction from rushed demand before the consumption tax hike and increased demand resulting from subsidies for business continuation of farmers.

Overseas revenue increased by 31.1% from the same period in the prior year to ¥1,169.2 billion. In North America, sales of tractors and construction machinery increased significantly due to strong demand along with trend in move to suburbs despite continued delay in production and shipment caused by port congestion and labor shortages. In Europe, sales of construction machinery, tractors, and engines increased due to continued recovery trend from sluggish sales along with the infection spread of COVID-19 in the prior year. In Asia outside Japan, sales of farm equipment in Thailand increased significantly mainly due to favorable weather conditions. In addition, sales of farm equipment in India were strong as well. In Other areas, sales of tractors and construction machinery in Australia increased significantly due to government stimulus policies.

Operating profit in this segment increased by 57.9% from the same period in the prior year to ¥214.9 billion due to significantly increased revenue in the domestic and overseas markets, raised product price, and favorable impact of foreign exchange rates, while there were some negative effects from increased fixed costs and a rise in material prices.

## 2) Water & Environment

Water & Environment is comprised of pipe- and infrastructure-related products (ductile iron pipes, plastic pipes, valves for public sector, industrial castings, spiral-welded steel pipes, air-conditioning equipment, and other products) and environment-related products (environmental control plants, pumps, valves for private sector, and other products).

Revenue in this segment decreased by 4.0% from the same period in the prior year to ¥213.6 billion and accounted for 13.0% of consolidated revenue.

Domestic revenue decreased by 3.0% from the same period in the prior year to ¥187.2 billion. In pipe- and infrastructure-related products, sales of ductile iron pipes and construction business decreased mainly due to a negative effect from postponed construction along with a state of emergency. On the other hand, in environment-related products, sales of pumps increased significantly due to increased sales of drainage pump vehicles.

Overseas revenue decreased by 10.7% from the same period in the prior year to ¥26.4 billion. Mainly sales of industrial castings decreased.

Operating profit in this segment increased by 13.6% from the same period in the prior year to ¥16.9 billion mainly due to an improvement in plant construction costs.

## 3) Other

Other is mainly comprised of a variety of services.

Revenue in this segment decreased by 4.9% from the same period in the prior year to ¥20.1 billion and accounted for 1.2% of consolidated revenue.

Operating profit in this segment increased by 10.9% from the same period in the prior year to ¥2.3 billion.

## (2) Financial condition

### a) Assets, liabilities, and equity

Total assets as of September 30, 2021, were ¥3,492.1 billion, an increase of ¥302.8 billion from the prior fiscal year-end. With respect to assets, inventories increased mainly due to increased inventories in transit along with port congestion. In addition, finance receivables increased significantly due to an expansion in sales financing operations in North America, where retail sales were strong, and an increase in the value translated into yen caused by the yen depreciation.

With respect to liabilities, bonds and borrowings denominated in foreign currencies increased due to an increase in finance receivables. Equity increased due to the accumulation of retained earnings and an improvement in other components of equity along with fluctuations mainly in foreign exchange rates. The ratio of equity attributable to owners of the parent to total assets stood at 46.7%, 0.4 percentage points higher than the prior fiscal year-end.

### b) Cash flows

Net cash provided by operating activities during the nine months ended September 30, 2021, was ¥47.9 billion, a decrease of ¥20.3 billion in net cash inflow compared with the same period in the prior year. This decrease was due to an increase in inventories despite increased profit for the period.

Net cash used in investing activities was ¥88.0 billion, an increase of ¥41.2 billion in net cash outflow compared with the same period in the prior year. This increase was mainly due to a decrease in cash inflow related to sales of securities and an increase in cash outflow related to acquisition of property, plant, and equipment and intangible assets.

Net cash used in financing activities was ¥8.9 billion, a decrease of ¥14.5 billion in net cash inflow compared with the same period in the prior year mainly due to a decrease in funding.

As a result of the above and after taking into account the effects from exchange rate changes, cash and cash

equivalents as of September 30, 2021, were ¥179.3 billion, a decrease of ¥43.6 billion from the beginning of the current period.

**(3) Forecasts for the year ending December 31, 2021**

The forecasts of the results of operations for the year ending December 31, 2021, which were announced on August 3, 2021, remain unchanged.

These forecasts are based on the assumption of exchange rates of ¥108=US\$1 and ¥130=€1.

**2. Other information**

**(1) Changes in significant subsidiaries**

None

**(2) Changes in accounting policies**

None

### 3. Condensed consolidated financial statements

#### (1) Condensed consolidated statement of financial position

ASSETS

(Unit: millions of yen)

	Sept. 30, 2021		Dec. 31, 2020		Change
	Amount	%	Amount	%	Amount
<b>Current assets:</b>					
Cash and cash equivalents	¥ 179,285		¥ 222,919		¥ (43,634)
Trade receivables	564,650		592,027		(27,377)
Finance receivables	365,963		317,626		48,337
Other financial assets	56,522		49,967		6,555
Inventories	463,930		373,998		89,932
Income taxes receivable	4,189		9,700		(5,511)
Other current assets	72,887		72,305		582
<b>Total current assets</b>	<b>1,707,426</b>	<b>48.9</b>	<b>1,638,542</b>	<b>51.4</b>	<b>68,884</b>
<b>Noncurrent assets:</b>					
Investments accounted for using the equity method	38,216		36,124		2,092
Finance receivables	973,903		807,342		166,561
Other financial assets	154,055		138,583		15,472
Property, plant, and equipment	459,122		424,672		34,450
Goodwill and intangible assets	82,735		72,539		10,196
Deferred tax assets	50,763		43,641		7,122
Other noncurrent assets	25,862		27,874		(2,012)
<b>Total noncurrent assets</b>	<b>1,784,656</b>	<b>51.1</b>	<b>1,550,775</b>	<b>48.6</b>	<b>233,881</b>
<b>Total assets</b>	<b>¥ 3,492,082</b>	<b>100.0</b>	<b>¥ 3,189,317</b>	<b>100.0</b>	<b>¥ 302,765</b>

LIABILITIES AND EQUITY

(Unit: millions of yen)

	Sept. 30, 2021		Dec. 31, 2020		Change
	Amount	%	Amount	%	Amount
<b>Current liabilities:</b>					
Bonds and borrowings	¥ 398,763		¥ 366,038		¥ 32,725
Trade payables	329,045		323,607		5,438
Other financial liabilities	86,658		87,445		(787)
Income taxes payable	30,393		14,676		15,717
Provisions	41,510		39,736		1,774
Other current liabilities	217,167		194,924		22,243
<b>Total current liabilities</b>	<b>1,103,536</b>	<b>31.6</b>	<b>1,026,426</b>	<b>32.2</b>	<b>77,110</b>
<b>Noncurrent liabilities:</b>					
Bonds and borrowings	578,157		508,398		69,759
Other financial liabilities	27,003		31,537		(4,534)
Retirement benefit liabilities	16,070		16,144		(74)
Deferred tax liabilities	28,374		28,088		286
Other noncurrent liabilities	4,386		4,539		(153)
<b>Total noncurrent liabilities</b>	<b>653,990</b>	<b>18.7</b>	<b>588,706</b>	<b>18.4</b>	<b>65,284</b>
<b>Total liabilities</b>	<b>1,757,526</b>	<b>50.3</b>	<b>1,615,132</b>	<b>50.6</b>	<b>142,394</b>
<b>Equity:</b>					
Share capital	84,130		84,130		-
Share premium	84,910		84,943		(33)
Retained earnings	1,426,300		1,325,764		100,536
Other components of equity	36,727		(18,162)		54,889
Treasury shares	(454)		(636)		182
<b>Total equity attributable to owners of the parent</b>	<b>1,631,613</b>	<b>46.7</b>	<b>1,476,039</b>	<b>46.3</b>	<b>155,574</b>
<b>Noncontrolling interests</b>	<b>102,943</b>	<b>3.0</b>	<b>98,146</b>	<b>3.1</b>	<b>4,797</b>
<b>Total equity</b>	<b>1,734,556</b>	<b>49.7</b>	<b>1,574,185</b>	<b>49.4</b>	<b>160,371</b>
<b>Total liabilities and equity</b>	<b>¥ 3,492,082</b>	<b>100.0</b>	<b>¥ 3,189,317</b>	<b>100.0</b>	<b>¥ 302,765</b>



**(2) Condensed consolidated statement of profit or loss**

(Unit: millions of yen, except earnings per share)

	Nine months ended Sept. 30, 2021		Nine months ended Sept. 30, 2020		Change	
	Amount	%	Amount	%	Amount	%
Revenue	¥ 1,641,640	100.0	¥ 1,356,794	100.0	¥ 284,846	21.0
Cost of sales	(1,157,642)		(973,236)		(184,406)	
Selling, general, and administrative expenses	(275,820)		(251,024)		(24,796)	
Other income	7,129		5,175		1,954	
Other expenses	(3,804)		(7,822)		4,018	
<b>Operating profit</b>	<b>211,503</b>	<b>12.9</b>	<b>129,887</b>	<b>9.6</b>	<b>81,616</b>	<b>62.8</b>
Finance income	3,279		10,241		(6,962)	
Finance costs	(994)		(1,388)		394	
<b>Profit before income taxes</b>	<b>213,788</b>	<b>13.0</b>	<b>138,740</b>	<b>10.2</b>	<b>75,048</b>	<b>54.1</b>
Income tax expenses	(55,373)		(34,707)		(20,666)	
Share of profits of investments accounted for using the equity method	2,502		2,071		431	
<b>Profit for the period</b>	<b>¥ 160,917</b>	<b>9.8</b>	<b>¥ 106,104</b>	<b>7.8</b>	<b>¥ 54,813</b>	<b>51.7</b>

<b>Profit attributable to:</b>						
Owners of the parent	¥ 146,628	8.9	¥ 96,468	7.1	¥ 50,160	52.0
Noncontrolling interests	14,289	0.9	9,636	0.7	4,653	48.3

<b>Earnings per share attributable to owners of the parent:</b>				
Basic	¥ 121.38		¥ 79.31	
Diluted	-		-	

**(3) Condensed consolidated statement of comprehensive income**

(Unit: millions of yen)

	Nine months ended Sept. 30, 2021	Nine months ended Sept. 30, 2020	Change
Profit for the period	¥ 160,917	¥ 106,104	¥ 54,813
Other comprehensive income, net of income tax:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit pension plans	(214)	96	(310)
Net change in fair value of financial assets measured at fair value through other comprehensive income	7,155	(5,384)	12,539
Items that may be reclassified subsequently to profit or loss:			
Exchange rate differences on translating foreign operations	47,332	(41,355)	88,687
Total other comprehensive income, net of income tax	54,273	(46,643)	100,916
Comprehensive income for the period	¥ 215,190	¥ 59,461	¥ 155,729

Comprehensive income attributable to:			
Owners of the parent	¥ 203,760	¥ 56,147	¥ 147,613
Noncontrolling interests	11,430	3,314	8,116

#### (4) Condensed consolidated statement of changes in equity

Nine months ended September 30, 2021

(Unit: millions of yen)

	Equity attributable to owners of the parent					Total equity attributable to owners of the parent	Noncontrolling interests	Total equity
	Share capital	Share premium	Retained earnings	Other components of equity	Treasury shares			
Balance as of Jan. 1, 2021	¥ 84,130	¥ 84,943	¥ 1,325,764	¥ (18,162)	¥ (636)	¥ 1,476,039	¥ 98,146	¥ 1,574,185
Profit for the period			146,628			146,628	14,289	160,917
Total other comprehensive income, net of income tax				57,132		57,132	(2,859)	54,273
Comprehensive income for the period			146,628	57,132		203,760	11,430	215,190
Transfer to retained earnings			2,241	(2,241)		-		-
Dividends paid			(48,333)			(48,333)	(6,697)	(55,030)
Purchases and sales of treasury shares					(2)	(2)		(2)
Share-based payments with transfer restrictions		27			184	211		211
Changes in ownership interests in subsidiaries		(60)		(2)		(62)	64	2
Balance as of Sept. 30, 2021	¥ 84,130	¥ 84,910	¥ 1,426,300	¥ 36,727	¥ (454)	¥ 1,631,613	¥ 102,943	¥ 1,734,556

Nine months ended September 30, 2020

(Unit: millions of yen)

	Equity attributable to owners of the parent					Total equity attributable to owners of the parent	Noncontrolling interests	Total equity
	Share capital	Share premium	Retained earnings	Other components of equity	Treasury shares			
Balance as of Jan. 1, 2020	¥ 84,130	¥ 84,671	¥ 1,238,824	¥ 35,849	¥ (637)	¥ 1,442,837	¥ 94,377	¥ 1,537,214
Profit for the period			96,468			96,468	9,636	106,104
Total other comprehensive income, net of income tax				(40,321)		(40,321)	(6,322)	(46,643)
Comprehensive income for the period			96,468	(40,321)		56,147	3,314	59,461
Transfer to retained earnings			18,707	(18,707)		-		-
Dividends paid			(43,853)			(43,853)	(4,503)	(48,356)
Purchases and sales of treasury shares					(20,001)	(20,001)		(20,001)
Share-based payments with transfer restrictions		(32)	(35)		148	81		81
Changes in ownership interests in subsidiaries		(371)		7		(364)	(1,055)	(1,419)
Balance as of Sept. 30, 2020	¥ 84,130	¥ 84,268	¥ 1,310,111	¥ (23,172)	¥ (20,490)	¥ 1,434,847	¥ 92,133	¥ 1,526,980

**(5) Condensed consolidated statement of cash flows**

(Unit: millions of yen)

	Nine months ended Sept. 30, 2021	Nine months ended Sept. 30, 2020	Change
<b>Cash flows from operating activities:</b>			
Profit for the period	¥ 160,917	¥ 106,104	
Depreciation and amortization	53,034	50,066	
Finance income and costs	(2,143)	(8,453)	
Income tax expenses	55,373	34,707	
Decrease in trade receivables	28,266	65,703	
Increase in finance receivables	(150,198)	(142,717)	
(Increase) decrease in inventories	(73,861)	14,759	
(Increase) decrease in other assets	(836)	23,925	
Increase (decrease) in trade payables	682	(38,127)	
Increase in other liabilities	16,887	12,884	
Other, net	1,866	(2,028)	
Interest received	1,292	2,789	
Dividends received	1,256	1,522	
Interest paid	(1,371)	(565)	
Income taxes paid, net	(43,304)	(52,381)	
Net cash provided by operating activities	47,860	68,188	¥ (20,328)
<b>Cash flows from investing activities:</b>			
Payments for acquisition of property, plant, and equipment and intangible assets	(85,545)	(62,666)	
Payments for acquisition of securities	(1,709)	(16,031)	
Proceeds from sales and redemptions of securities	3,965	31,914	
Net decrease (increase) in loans receivable from associate	50	(1,104)	
Net increase in time deposits	(15,280)	(8,122)	
Net decrease (increase) in restricted cash	9,614	(1,872)	
Net (increase) decrease in short-term investments	(689)	4,259	
Other, net	1,554	6,826	
Net cash used in investing activities	(88,040)	(46,796)	(41,244)
<b>Cash flows from financing activities:</b>			
Funding from bonds and long-term borrowings	263,350	265,205	
Redemptions of bonds and repayments of long-term borrowings	(176,091)	(145,334)	
Net decrease in short-term borrowings	(31,314)	(36,298)	
Repayments of lease liabilities	(14,636)	(10,323)	
Dividends paid	(48,333)	(43,853)	
Purchases of treasury shares	(2)	(20,001)	
Other, net	(1,852)	(3,763)	
Net cash (used in) provided by financing activities	(8,878)	5,633	(14,511)
Effect of exchange rate changes on cash and cash equivalents	5,424	(6,224)	11,648
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(43,634)</b>	<b>20,801</b>	
<b>Cash and cash equivalents, at beginning of period</b>	<b>222,919</b>	<b>199,665</b>	
<b>Cash and cash equivalents, at end of period</b>	<b>¥ 179,285</b>	<b>¥ 220,466</b>	<b>¥ (41,181)</b>

**(6) Notes to the going concern assumption**

None

## **(7) Consolidated segment information**

### **a) Reportable segments**

Information by reportable segment is summarized as follows:

(Unit: millions of yen)

Nine months ended Sept. 30, 2021		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 1,407,996	¥ 213,568	¥ 20,076	¥ -	¥ 1,641,640
	Intersegment	160	1,032	22,491	(23,683)	-
	Total	1,408,156	214,600	42,567	(23,683)	1,641,640
Operating profit		¥ 214,902	¥ 16,892	¥ 2,339	¥ (22,630)	¥ 211,503

(Unit: millions of yen)

Nine months ended Sept. 30, 2020		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 1,113,216	¥ 222,458	¥ 21,120	¥ -	¥ 1,356,794
	Intersegment	150	882	20,312	(21,344)	-
	Total	1,113,366	223,340	41,432	(21,344)	1,356,794
Operating profit		¥ 136,083	¥ 14,876	¥ 2,110	¥ (23,182)	¥ 129,887

Notes:

- Adjustments include the items, such as the elimination of intersegment transfers and corporate expenses, which are not allocated to any particular reportable segment. The corporate expenses included in Adjustments consist mainly of expenses of the administration department, basic research expenses, and foreign exchange gains or losses incurred in Kubota Corporation.
- The aggregated amounts of operating profit are equal to those presented in the condensed consolidated statement of profit or loss. Please refer to the condensed consolidated statement of profit or loss for the reconciliation of operating profit to profit before income taxes.
- Intersegment transfers are recorded at values that approximate market prices.
- Beginning with the current consolidated fiscal year, in conformity with the change in the business reporting structure of the Company, the amounts related to "Financial services businesses" are reported in the "Farm & Industrial Machinery" segment, whereas they were formerly reported in the "Other" segment. The information for the same period in the prior year has been retrospectively adjusted to conform to the current fiscal year's presentation.

### **b) Geographic information**

Information about revenue from external customers by location is summarized as follows:

(Unit: millions of yen)

	Nine months ended Sept. 30, 2021	Nine months ended Sept. 30, 2020
Japan	¥ 446,054	¥ 435,726
North America	603,938	470,432
Europe	216,444	160,056
Asia outside Japan	315,226	249,311
Other areas	59,978	41,269
Total	¥ 1,641,640	¥ 1,356,794

Notes:

- Revenue from North America included that from the United States of ¥527,170 million and ¥425,256 million for the nine months ended September 30, 2021 and 2020, respectively.
- There was no single customer from whom revenue exceeded 10% or more of total consolidated revenue of the Company.

**(8) Consolidated revenue by product group**

(Unit: millions of yen)

	Nine months ended Sept. 30, 2021		Nine months ended Sept. 30, 2020		Change	
	Amount	%	Amount	%	Amount	%
<b>Farm Equipment and Engines</b>	¥ 1,116,628	68.0	¥ 905,036	66.7	¥ 211,592	23.4
Domestic	212,200		196,979		15,221	7.7
Overseas	904,428		708,057		196,371	27.7
<b>Construction Machinery</b>	<b>291,368</b>	<b>17.8</b>	<b>208,180</b>	<b>15.3</b>	<b>83,188</b>	<b>40.0</b>
Domestic	26,640		24,740		1,900	7.7
Overseas	264,728		183,440		81,288	44.3
<b>Farm &amp; Industrial Machinery</b>	<b>1,407,996</b>	<b>85.8</b>	<b>1,113,216</b>	<b>82.0</b>	<b>294,780</b>	<b>26.5</b>
Domestic	238,840	14.6	221,719	16.3	17,121	7.7
Overseas	1,169,156	71.2	891,497	65.7	277,659	31.1
<b>Pipe- and Infrastructure-related Products</b>	<b>125,959</b>	<b>7.7</b>	<b>137,248</b>	<b>10.1</b>	<b>(11,289)</b>	<b>(8.2)</b>
Domestic	106,598		115,302		(8,704)	(7.5)
Overseas	19,361		21,946		(2,585)	(11.8)
<b>Environment-related Products</b>	<b>87,609</b>	<b>5.3</b>	<b>85,210</b>	<b>6.3</b>	<b>2,399</b>	<b>2.8</b>
Domestic	80,569		77,604		2,965	3.8
Overseas	7,040		7,606		(566)	(7.4)
<b>Water &amp; Environment</b>	<b>213,568</b>	<b>13.0</b>	<b>222,458</b>	<b>16.4</b>	<b>(8,890)</b>	<b>(4.0)</b>
Domestic	187,167	11.4	192,906	14.2	(5,739)	(3.0)
Overseas	26,401	1.6	29,552	2.2	(3,151)	(10.7)
<b>Other</b>	<b>20,076</b>	<b>1.2</b>	<b>21,120</b>	<b>1.6</b>	<b>(1,044)</b>	<b>(4.9)</b>
Domestic	20,047	1.2	21,101	1.6	(1,054)	(5.0)
Overseas	29	0.0	19	0.0	10	52.6
<b>Total</b>	¥ <b>1,641,640</b>	<b>100.0</b>	¥ <b>1,356,794</b>	<b>100.0</b>	¥ <b>284,846</b>	<b>21.0</b>
Domestic	446,054	27.2	435,726	32.1	10,328	2.4
Overseas	1,195,586	72.8	921,068	67.9	274,518	29.8

Note:

Beginning with the current consolidated fiscal year, in conformity with the change in the business reporting structure of the Company, the amounts related to "Financial services businesses" are reported in the "Farm Equipment and Engines" segment, whereas they were formerly reported in the "Other" segment. The information for the same period in the prior year has been retrospectively adjusted to conform to the current fiscal year's presentation.

## 4. Results of operations for the three months ended September 30, 2021

### (1) Condensed consolidated statement of profit or loss

(Unit: millions of yen, except earnings per share)

	Three months ended Sept. 30, 2021		Three months ended Sept. 30, 2020		Change	
	Amount	%	Amount	%	Amount	%
Revenue	¥ 540,235	100.0	¥ 472,624	100.0	¥ 67,611	14.3
Cost of sales	(380,385)		(339,123)		(41,262)	
Selling, general, and administrative expenses	(94,297)		(84,667)		(9,630)	
Other income	778		819		(41)	
Other expenses	(2,376)		(1,436)		(940)	
Operating profit	63,955	11.8	48,217	10.2	15,738	32.6
Finance income	668		6,327		(5,659)	
Finance costs	(244)		(225)		(19)	
Profit before income taxes	64,379	11.9	54,319	11.5	10,060	18.5
Income tax expenses	(17,565)		(14,109)		(3,456)	
Share of profits of investments accounted for using the equity method	963		733		230	
Profit for the period	¥ 47,777	8.8	¥ 40,943	8.7	¥ 6,834	16.7

Profit attributable to:						
Owners of the parent	¥ 43,678	8.1	¥ 36,898	7.8	¥ 6,780	18.4
Noncontrolling interests	4,099	0.7	4,045	0.9	54	1.3

Earnings per share attributable to owners of the parent:				
Basic	¥ 36.16		¥ 30.46	
Diluted	-		-	

## (2) Consolidated segment information

### a) Reportable segments

Information by reportable segment is summarized as follows:

(Unit: millions of yen)

Three months ended Sept. 30, 2021		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 466,721	¥ 67,017	¥ 6,497	¥ -	¥ 540,235
	Intersegment	68	308	7,922	(8,298)	-
	Total	466,789	67,325	14,419	(8,298)	540,235
Operating profit		¥ 70,967	¥ 3,702	¥ 714	¥ (11,428)	¥ 63,955

(Unit: millions of yen)

Three months ended Sept. 30, 2020		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 394,069	¥ 72,132	¥ 6,423	¥ -	¥ 472,624
	Intersegment	13	347	7,067	(7,427)	-
	Total	394,082	72,479	13,490	(7,427)	472,624
Operating profit		¥ 48,886	¥ 4,972	¥ 628	¥ (6,269)	¥ 48,217

Notes:

- Adjustments include the items, such as the elimination of intersegment transfers and corporate expenses, which are not allocated to any particular reportable segment. The corporate expenses included in Adjustments consist mainly of expenses of the administration department, basic research expenses, and foreign exchange gains or losses incurred in Kubota Corporation.
- The aggregated amounts of operating profit are equal to those presented in the condensed consolidated statement of profit or loss. Please refer to the condensed consolidated statement of profit or loss for the reconciliation of operating profit to profit before income taxes.
- Intersegment transfers are recorded at values that approximate market prices.
- Beginning with the current consolidated fiscal year, in conformity with the change in the business reporting structure of the Company, the amounts related to "Financial services businesses" are reported in the "Farm & Industrial Machinery" segment, whereas they were formerly reported in the "Other" segment. The information for the same period in the prior year has been retrospectively adjusted to conform to the current fiscal year's presentation.

### b) Geographic information

Information about revenue from external customers by location is summarized as follows:

(Unit: millions of yen)

	Three months ended Sept. 30, 2021	Three months ended Sept. 30, 2020
Japan	¥ 143,509	¥ 145,533
North America	209,284	170,071
Europe	69,070	51,268
Asia outside Japan	98,399	88,151
Other areas	19,973	17,601
Total	¥ 540,235	¥ 472,624

Notes:

- Revenue from North America included that from the United States of ¥184,012 million and ¥155,211 million for the three months ended Sept. 30, 2021 and 2020, respectively.
- There was no single customer from whom revenue exceeded 10% or more of total consolidated revenue of the Company.



**(3) Consolidated revenue by product group**

(Unit: millions of yen)

	Three months ended Sept. 30, 2021		Three months ended Sept. 30, 2020		Change	
	Amount	%	Amount	%	Amount	%
<b>Farm Equipment and Engines</b>	¥ <b>367,328</b>	<b>68.0</b>	¥ <b>321,080</b>	<b>67.9</b>	¥ <b>46,248</b>	<b>14.4</b>
Domestic	68,236		67,880		356	0.5
Overseas	299,092		253,200		45,892	18.1
<b>Construction Machinery</b>	<b>99,393</b>	<b>18.4</b>	<b>72,989</b>	<b>15.4</b>	<b>26,404</b>	<b>36.2</b>
Domestic	10,198		9,239		959	10.4
Overseas	89,195		63,750		25,445	39.9
<b>Farm &amp; Industrial Machinery</b>	<b>466,721</b>	<b>86.4</b>	<b>394,069</b>	<b>83.3</b>	<b>72,652</b>	<b>18.4</b>
Domestic	78,434	14.5	77,119	16.3	1,315	1.7
Overseas	388,287	71.9	316,950	67.0	71,337	22.5
<b>Pipe- and Infrastructure-related Products</b>	<b>43,570</b>	<b>8.1</b>	<b>46,923</b>	<b>9.9</b>	<b>(3,353)</b>	<b>(7.1)</b>
Domestic	37,446		39,909		(2,463)	(6.2)
Overseas	6,124		7,014		(890)	(12.7)
<b>Environment-related Products</b>	<b>23,447</b>	<b>4.3</b>	<b>25,209</b>	<b>5.4</b>	<b>(1,762)</b>	<b>(7.0)</b>
Domestic	21,138		22,085		(947)	(4.3)
Overseas	2,309		3,124		(815)	(26.1)
<b>Water &amp; Environment</b>	<b>67,017</b>	<b>12.4</b>	<b>72,132</b>	<b>15.3</b>	<b>(5,115)</b>	<b>(7.1)</b>
Domestic	58,584	10.9	61,994	13.1	(3,410)	(5.5)
Overseas	8,433	1.5	10,138	2.2	(1,705)	(16.8)
<b>Other</b>	<b>6,497</b>	<b>1.2</b>	<b>6,423</b>	<b>1.4</b>	<b>74</b>	<b>1.2</b>
Domestic	6,491	1.2	6,420	1.4	71	1.1
Overseas	6	0.0	3	0.0	3	100.0
<b>Total</b>	¥ <b>540,235</b>	<b>100.0</b>	¥ <b>472,624</b>	<b>100.0</b>	¥ <b>67,611</b>	<b>14.3</b>
Domestic	143,509	26.6	145,533	30.8	(2,024)	(1.4)
Overseas	396,726	73.4	327,091	69.2	69,635	21.3

Note:

Beginning with the current consolidated fiscal year, in conformity with the change in the business reporting structure of the Company, the amounts related to "Financial services businesses" are reported in the "Farm Equipment and Engines" segment, whereas they were formerly reported in the "Other" segment. The information for the same period in the prior year has been retrospectively adjusted to conform to the current fiscal year's presentation.