

June 29, 2012

Receipt of an assessment notice under transfer pricing taxation

Kubota Corporation (Head Office: Naniwa-ku, Osaka, Japan, President & CEO: Yasuo Masumoto, hereinafter “the Company”) announced that it received an assessment notice from the Osaka Regional Taxation Bureau (hereinafter “ORTB”) on June 28, 2012 as a result of a transfer pricing taxation audit with respect to the related transactions on Farm & Industrial Machinery business between the Company and its subsidiary in Australia for six fiscal years ended March 31, 2011 (hereinafter the “Transactions”). The corrected income amount is ¥4.8 billion and the additional tax liability is estimated to be approximately ¥2.3 billion, including corporate tax, regional tax and other taxes.

The Company’s position is that prices in the Transactions were appropriate, and that the Company and its subsidiary paid taxes fairly in Japan and Australia, respectively. The Company will promptly file an objection against the ORTB, and will request a mutual agreement procedure in accordance with the provision in the tax treaty between Japan and Australia from the viewpoint of avoidance of double taxation.

The Company believes that such procedure will derive fair and equitable results by which we will be convinced.

The effect of the assessment on the forecasted consolidated financial results for the fiscal year ending March 31, 2013 will be negligible.

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