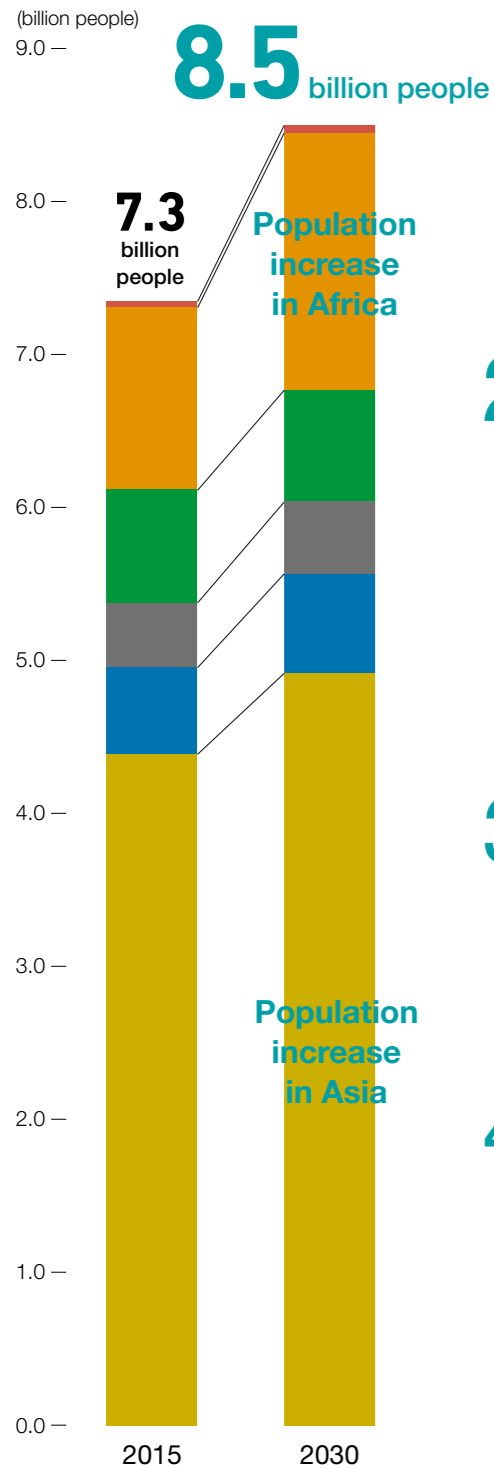


Challenges Through 2030

Tackling the Challenges Associated with the Megatrend of Global Demographic Shifts

Population trends by region

Asia North America South America
Europe Africa Oceania



Source: Kubota Corporation, based on data from the Ministry of Internal Affairs and Communications

1. Increase in the global population

Feature 1

Increase in global demand for grain
Economic development contributing to an expansion in the middle-income group*

- ▶ Improved diets contributing to enhanced demand for meat
- ▶ Increased demand for grain used in food and livestock feed

P.8

2. Population increase in Asia

Feature 2

Rapid urbanization
Pressing need to develop a variety of urban infrastructure
Decrease in the rural population
The labor shortage makes it urgent to improve agricultural productivity

P.9

3. Population increase in Africa

Feature 3

There is a need to shift from a human and animal-based agricultural system to a more productive system

P.11

4. Population decline in Japan

Feature 4

Declining farmers due to aging and giving up farming
Key issues include improving productivity and profitability

P.12

* Middle-income group: Demographic with per capital daily consumption of around US\$10 to US\$100 (as defined by the OECD)

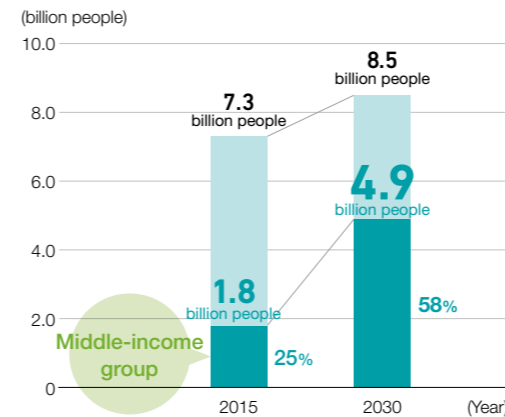


Helping to satisfy the ongoing global increase in food demand



Upland farming tractors for a variety of uses

The middle-income group's share of the world's population



Increase in the middle-income group population from 2015 to 2030

Source: Kubota Corporation, based on Cabinet Office and OECD materials

Global challenges expected through 2030

- ▶ The rise in the global population is expected to contribute to increased demand for grain used in food.
- ▶ Economic development is contributing to an increase in the middle-income group population.
- ▶ Improved diets are leading to an increased demand for meat.
- ▶ Demand for grain is expected to increase not only food, but also for livestock feed. (Demand for livestock feed grain is expected to exceed demand for grain used in food in 2030.)

Kubota's challenge

Kubota's large upland agricultural machinery contributes to the enhanced productivity required by global food demand



Large upland farming tractors



Processing the hay used to feed livestock



Developing upland agricultural machinery that meets the needs of countries and regions around the world