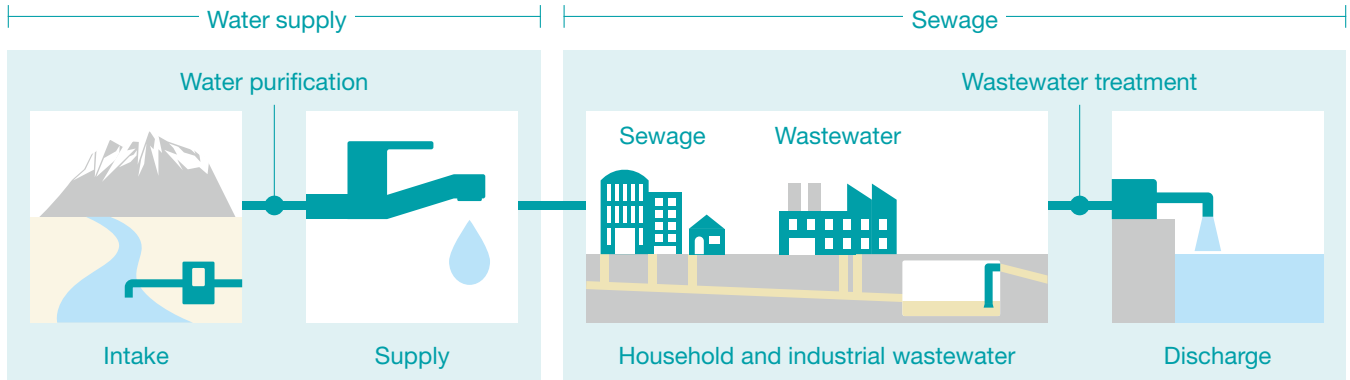


Water & Environment

Pipe Systems and Water Treatment Facilities

Once again, water is growing increasingly important due to the spread of the coronavirus pandemic. The Kubota Group will continue to enrich people's lives as a world-class general manufacturer of water and environmental hygiene-related equipment for both water supply and sewerage systems.



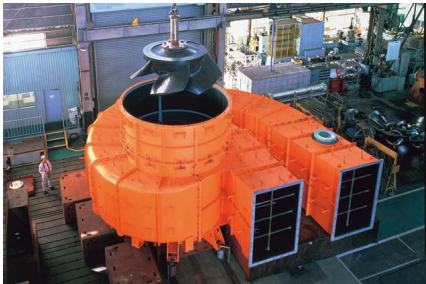
Ductile iron pipes: used in infrastructure, including water, sewage and agricultural water pipelines.



Plastic pipes: used in infrastructure, including water and sewage lines, and gas piping.



Submerged membranes: used to purify wastewater, including industrial and domestic sewage.



Pumps: used to pump water in water and sewage lines, agriculture and forestry, and in the rainwater market.



Valves: used to control the flow of fluids or gases in water, sewage, agriculture, etc.



Johkasou: used to treat wastewater in areas where there are no sewage lines.

Incinerating, melting, crushing, and recycling waste

We will continue to help build a recycling-oriented society whilst contributing to global environmental protection.



Waste incinerator plants and ash and melting furnace plants: used to incinerate and reduce the volume of municipal waste, as well as to contribute to decarbonization of society by using the large quantity of waste heat to generate electricity.



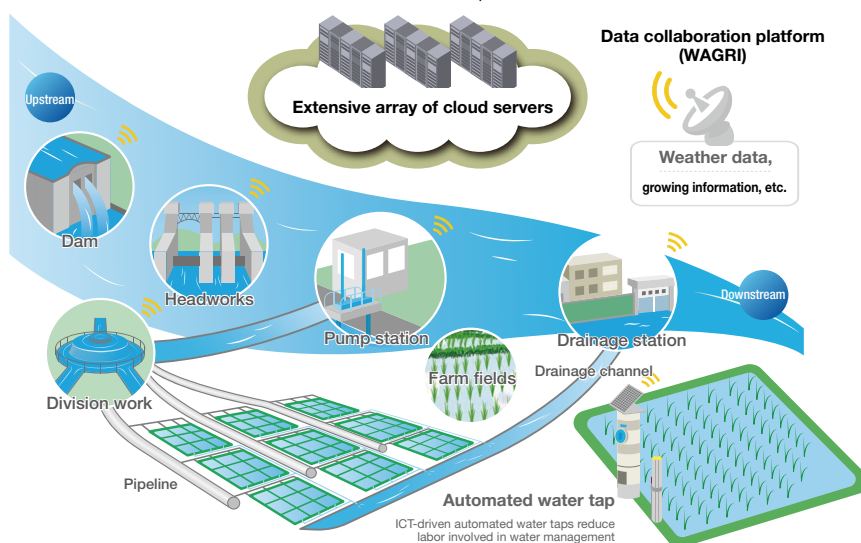
Crushing and recycling plants: used to crush and sort recyclable garbage to enhance its resource value so that it can be reused or turned into raw materials or fuel.

The Kubota Group's ICT×IoT Water & Environment

Kubota aims for IoT-monitored water and environment infrastructure

Kubota has developed the Kubota Smart Infrastructure System (KSIS), a new service utilizing IoT in the water and environment field. At present, R&D projects in partnership with the NTT Group, including facility diagnosis using AI, are under way, and planned to be released as a practical service.

KSIS offers comprehensive solutions covering everything from individual products and plant devices to systems and after-sales services, thereby helping customers inside and outside Japan solve their problems.



■ Farm Water Management System WATARAS

WATARAS is a farm water management system developed by Japan's National Agriculture and Food Research Organization (NARO) that allows users to remotely and automatically control water flowing in and out of rice paddies whilst monitoring water levels on a smartphone or PC.

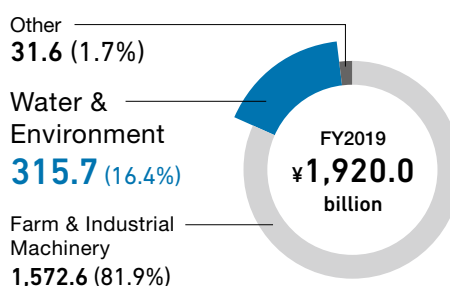
Business Overview (Water & Environment)

Results of FY2019

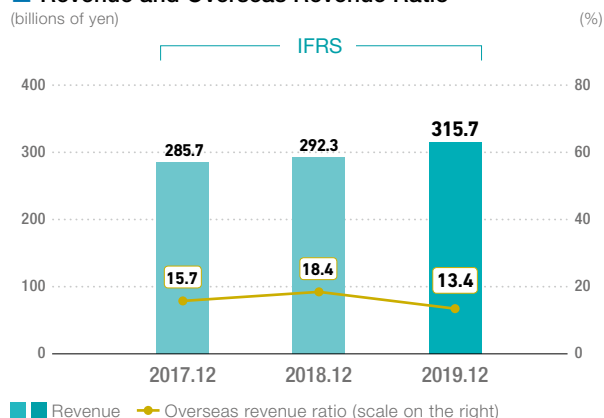
Revenue in this segment increased by 8.0% from the prior year to ¥315.7 billion, and accounted for 16.4% of consolidated revenue. Domestic revenue increased by 14.7% from the prior year to ¥273.5 billion, and overseas revenue decreased by 21.6% from the prior year to ¥42.3 billion.

Operating profit in this segment increased by 34.5% from the prior year to ¥26.7 billion mainly due to significantly increased sales in the domestic markets.

■ Revenue by Reportable Segment (billions of yen)



■ Revenue and Overseas Revenue Ratio



■ Operating Profit and Operating Margin

