

# Business Overview

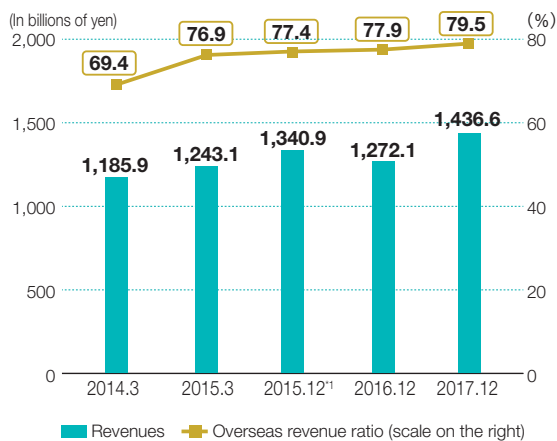
## Farm & Industrial Machinery

### Results of FY2017

Revenues in this segment increased by 12.9% from the prior year to ¥1,436.6 billion, and accounted for 82.0% of consolidated revenues. Domestic revenues increased by 4.6% to ¥294.5 billion, and overseas revenues increased by 15.3% to ¥1,142.1 billion. Operating income increased by 7.1% from the prior year to ¥198.2 billion.

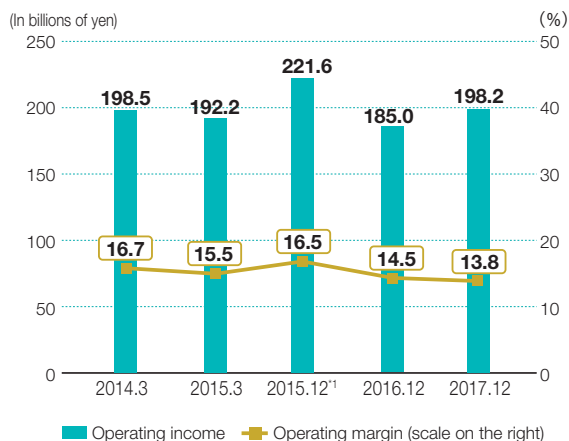
\* Due to the change in fiscal year-end, the fiscal year ended December 31, 2015 was the nine-month period that commenced on April 1, 2015 and ended on December 31, 2015. Therefore, for the fiscal year ended December 31, 2015, results of the period from January 1, 2015 to December 31, 2015 are presented for reference.

#### Revenues and overseas revenue ratio



\*1 12months, reference data

#### Operating income and operating margin



## Agricultural machinery and agriculture-related products



**Tractors:**  
used mainly in agricultural operations, including tillage, leveling and transportation.

**Implements:**  
connected to tractors and used for a variety of tasks.



**Combine harvesters:**  
used for simultaneous harvesting and threshing of crops such as rice, wheat and pulses.



**Rice transplanters:**  
used to transplant rice seedlings to rice paddies, contributing significantly to labor saving.



**Utility vehicles:**  
useful in a variety of operations, including agricultural work, civil engineering and leisure activities.



**Riding mowers:**  
used for cutting lawns in private residences, office areas and parks.

## Construction machinery



**Mini excavators:**  
used in civil engineering and other operations; especially useful in narrow work areas, such as city streets.



**Wheel loaders:**  
used mainly for transporting and stacking tasks (at construction sites, farms, etc.).



**Compact track loaders:**



**Skid steer loaders:**

## Engines



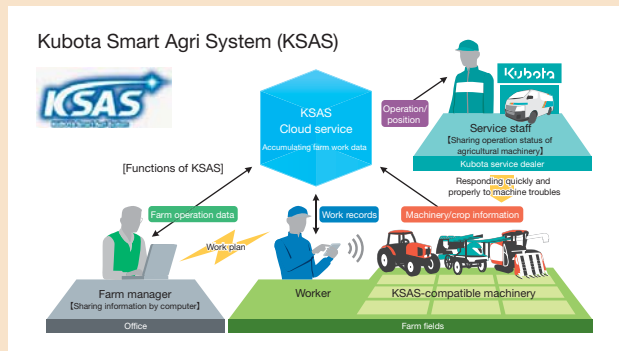
**Gasoline engine (left) / Diesel engine (right):**  
used mainly as a power source in industrial machinery such as agricultural or construction machinery.

## The Kubota Group's ICT × IoT (Agricultural Machinery)

### Kubota aims for smart agriculture

As the farming population is aging and the scale of farms is expanding, it is globally crucial to grow agricultural produce efficiently with higher yield and quality.

By promptly introducing ICT (information and communication technology) in agriculture, Kubota will realize smart agriculture, contributing to the abundant and stable production of food.



### Kubota Smart Agri System (KSAS)

A system to support farm operations by integrating advanced technologies with ICT. KSAS visualizes agricultural data, enabling efficient farm operations with no need to rely on experience and intuition.



Autonomous tractors with an auto-steering function  
(left: unattended, right: manned)

### Autonomous agricultural machinery

Kubota has been developing autonomous agricultural machinery using GPS (global positioning system), capable of performing unmanned automatic operations under manned surveillance.

Following the AGRIROBO Tractor, for which trial sales have been started, the development of autonomous rice transplanters and combine harvesters is now under way.



Rice transplanter with keeping straight function

## Water & Environment

### Results of FY2017

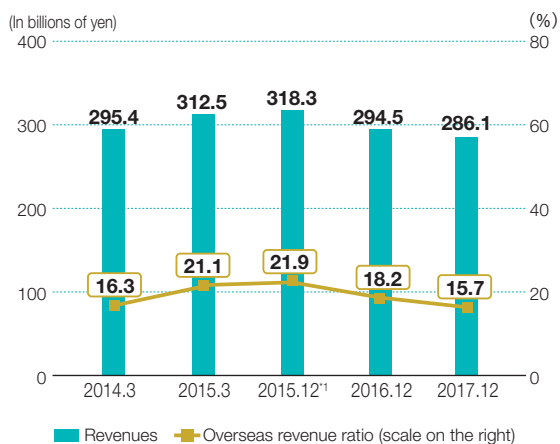
Revenues in this segment decreased by 2.9% from the prior year to ¥286.1 billion, and accounted for 16.3% of consolidated revenues. Domestic revenues increased by 0.1% from the prior year to ¥241.1 billion, and overseas revenues decreased by 16.2% to ¥45.0 billion.

Operating income increased by 18.3% from the prior year to ¥26.2 billion.

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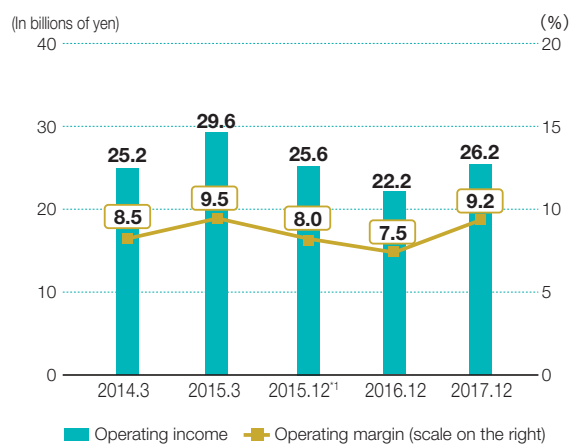
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#### Revenues and overseas revenue ratio



\*1 12 months, reference data

#### Operating income and operating margin



## Pipe systems and water treatment facilities



#### Ductile iron pipes:

used in infrastructure, including water and sewage lines, and agricultural water facilities.



#### 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, and in storm water drainage.



#### Valves:

used in water and sewerage lines to control the flow of fluids or gases.



#### Wastewater treatment plants (Johkasou):

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

## Materials



**Steel casting:**  
used at petrochemical plants for ethylene purification and other operations.



**Spiral welded steel pipes:**  
used in foundation construction, such as for buildings and bridges in addition to harbor and river projects.

## 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 the 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.

