The Kubota Group’s Products and Services

Farm & Industrial Machinery

**Agricultural Machinery and Agricultural-related Products**

As a world-leading manufacturer of agricultural machinery for both dry- and wet-field farming, we will continue to contribute to stable food production in each country and region.

- **Tractors:** used mainly in agricultural operations, including tillage, leveling and transportation.
- **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.
- **Combine harvesters:** used for simultaneous harvesting and threshing of crops such as rice, wheat and pulses.
- **Implements:** connected to tractors and used for a variety of tasks.

**Construction Machinery**

As a dedicated manufacturer of mini excavators, we will continue to pursue the realization of productive living environments around the world whilst meeting demand for use in various settings, such as infrastructure development.

- **Mini excavators:** used in civil engineering and other operations; especially useful in narrow work areas, such as city streets.
- **Skid steer loaders:**
- **Wheel loaders:**
- **Compact track loaders:** used mainly for transporting and stacking tasks (at construction sites, farms, etc.).

**Engines**

As a global leader in compact industrial engines, we will continue to support industrial development around the world and contribute to environmental conservation.

- **Diesel**
- **Gasoline, LPG, natural gas**

Kubota has an extensive lineup of engines to satisfy the diverse demands for application, horsepower and fuel type. Our range also covers regional differences in exhaust gas regulations and usage environments.
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) and robotic technology in agriculture, Kubota will realize smart agriculture that reduces labor and increases precision, 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.

Kubota Agricultural Machinery with GPS

Using GPS (global positioning system), Kubota has developed an autonomous tractor capable of performing unmanned automatic operations under manned monitoring, as well a combine harvester that carries a human operator while performing autonomous operations, and a rice transplanter able to self-steer to keep a straight line of travel.

Business Overview (Farm & Industrial Machinery)

Results of FY2019

Revenue in this segment increased by 2.9% from the prior year to ¥1,572.6 billion, and accounted for 81.9% of consolidated revenue. Domestic revenue increased by 3.8% from the prior year to ¥320.6 billion, and overseas revenue increased by 2.7% from the prior year to ¥1,252.0 billion.

Operating profit in this segment increased by 1.8% from the prior year to ¥204.5 billion due to some positive effect mainly from increased sales in the domestic and overseas markets, raised product prices, and decreased sales promotion expenses resulting from declined interest rates in the United States, which compensated for some negative effects from increased fixed costs and the yen appreciation.

Revenue by Reportable Segment (billions of yen)

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY2019 (billions of yen)</th>
<th>FY2018 (billions of yen)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm &amp; Industrial Machinery</td>
<td>¥1,572.6</td>
<td>¥1,436.5</td>
<td>81.9%</td>
</tr>
<tr>
<td>Water &amp; Environment</td>
<td>¥315.7</td>
<td>¥314.1</td>
<td>16.4%</td>
</tr>
<tr>
<td>Other</td>
<td>¥31.6</td>
<td>¥30.3</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

Operating Profit and Operating Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>FY2019 (billions of yen)</th>
<th>FY2018 (billions of yen)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. GAAP</td>
<td>221.6</td>
<td>198.0</td>
<td>11.7%</td>
</tr>
<tr>
<td>IFRS</td>
<td>204.5</td>
<td>185.0</td>
<td>10.1%</td>
</tr>
</tbody>
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*12 months, reference data