Third-Party Assurance on Environmental Reports

Since FY2005, the KUBOTA Group has received the third-party assurance in order to improve the reliability and comprehensiveness of its environmental data. The \wp symbol is used to indicate information assured by the third party. Based on the third-party assurance in this fiscal year, its environmental report was accorded the environmental report assurance and registration mark*1 of the Japanese Association of Assurance Organizations for Sustainability Information (J-SUS)*2. This mark indicates that the reliability of environmental data presented in the KUBOTA REPORT 2012 - Business and CSR Activities satisfies the requirements for the environmental report assurance and registration marking specified by J-SUS.



Independent Assurance Report

Chairman, President and CEO of Kubota Corporatio

- Purpose and Scope

 We were engaged by Kubota Corporation (the "Company") to provide limited assurance on its KUBOTA REPORT 2012 —

 Business and CSR Activities on KUBOTA's website (the "website Report") for the fiscal year ended March 31, 2012. The

 purpose of our assurance engagement was to express our conclusion, based on our assurance procedures, on whether

 the environmental indicators and environmental accounting indicators marked with:

 the findicators marked with:

 print indicators marked with:

 the findicators marked with:

 the findicators marked with:

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- accordance with the Company's reporting criteria; and all the material environmental information defined by the Japanese Association of Assurance Organizations for inability Information ("J-SUS") is included in the website Report.

The content of the website Report is the responsibility of the Company's management. Our responsibility is to carry out a limited assurance engagement and to express our conclusion based on the work performed.

Criteria
The Company applies its own reporting criteria as described in the website Report. These are derived, among others, from
the Sustainability Reporting Guidelines 2006 of the Global Reporting Initiative and Environmental Reporting Guidelines of
Japan's Ministry of the Environment. We used these criteria to evaluate the Indicators. For the completeness of material
environmental Information, we used the "Criteria for Granting an Environmental Report Assurance and Registration

Procedures Performed

We conducted our engagement in accordance with 'International Standard on Assurance Engagements (ISAE) 3000
Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the Internation
Auditing and Assurance Standards Board, and the 'Practical Guidelines of Sustainability Information Assurance' of J-SUS

The limited assurance engagement on the website Report consisted of making inquiries, primarily of persons rest for the preparation of information presented in the website Report, and applying analytical and other procedures. T of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance pr

- Interviews with the Company's responsible personnel to obtain an understanding of its policy for the preparation of
- Inquiries about the design of the systems and methods used to collect and process the Indicators.
- Analytical reviews of the Indicators.
- Analytical reviews of the Indicators.
 Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and also a recalculation of the Indicators.

 Visit to the Company's domestic factory selected on the basis of a risk analysis.

 Assessment of whether or not all the material environmental information defined by J-SUS is included in the website

- reduces performed, as described above, nothing has come to our attention that causes us to believe that Based on the procedures performen, as described above, nothing nan courte to our attention that datasets as obstacle than the Indicators in the website Report are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the website Report; and

 all the material environmental information defined by J-SUS is not included in the website Report.
- We have no conflict of interest relationships with the Company that are specified in the Code of Ethics of J-SUS.

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KPMG AZSA Sustainability Co., Ltd.

- *1: The mark appears on the back cover of this report.
- *2: http://www.j-sus.org/english.html

KUBOTA REPORT 2012 is published in three languages (Japanese, English and Chinese) in both printed and online versions.

The environmental information in all of the six versions has received the third-party assurance.

Factory visit



Okajima Business Center

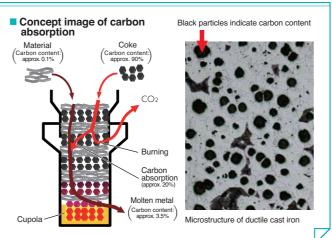
Identifying carbon absorption in the

In the casting process, not all the coke put into the cupola is burnt and discharged as CO2 emissions. Part of the carbon content is absorbed into fused iron as an essential ingredient of casting (carbon absorption), and shipped as part of steel pipes and other products.

KUBOTA introduced an initiative to identify carbon absorption levels in April 2011, and has made improvements to enable more accurate identification of its CO2 emissions.

As a result, it has been identified that carbon absorption (non-CO₂ carbon output) in FY2012 stood at 24 kilotons CO2e. This makes up approximately 5.1% of the overall CO2 emissions (468 kilotons CO2e) of the KUBOTA Group

The calculated value of carbon absorption is included in the scope of the third-party assurance. The Company is seeking to further improve the reliability of relevant values, and continues to identify and disclose carbon absorption



Comments on the KUBOTA REPORT 2012 - Business and CSR Activities

Professor Katsuhiko Kokubu. Graduate School of Business Administration. Kobe University

KUBOTA's motivation in the second year of integrated reporting

In 2011, the KUBOTA Group integrated its business report with its CSR report as KUBOTA REPORT - Business and CSR Activities. This is the second of the Group's integrated reports, featuring KUBOTA's three focuses: food, water and the environment. KUBOTA's positive corporate attitude to communicate its future vision, in addition to its historical data, is highly favorable.

Stepping up globalization further

This year's report highlights that KUBOTA is stepping up globalization of its activities further. President Masumoto expresses his strong intention to promote global activities in his message. The report also presents a detailed description of KUBOTA's overseas business, and explanation regarding development of global human resources. Expectations are high for KUBOTA's continued global business deployment, because its activities are all very important for improving the quality of life in emerging countries where KUBOTA operates. Such activities have been gradually incorporated into the Company's CSR targets. It seems that the Company has almost reached a stage where practical numerical targets can be specified for such activities.

Reliable information disclosure regarding internal control

One of the important features of KUBOTA's report is the detailed information disclosure regarding internal control. It is highly evaluated that the Company identifies risks to be avoided through internal control, and discloses specific data including the number of audits. It is also highly reliable in that the Company details the PDCA cycle that it uses in the internal control system. It is suggested that the company formulate methods and criteria for self-evaluation that suit its internal control system.

Proactive environmental management

The report also suggests that KUBOTA's environmental management is progressing steadily. The Company achieved its targets for both total CO₂ emissions and emissions per unit of sales, despite the decreased production. This indicates that energy efficiency and resource productivity in the manufacturing frontline has been improving. The promotion of Eco-Product activities is also highly evaluated. It would be more effective if the Company promotes environmental management throughout its supply chain, and introduces some numerical targets for Eco-Products.

Enhancement of the workplace environment

With regards to the workplace environment, KUBOTA has underlined safety and reassurance, and has promoted work-life balance and diversity. Expectations are increasing for the Company's diversity measures, as more women have been employed as "creative" personnel (general employees). It is suggested that KUBOTA have dialogues with external experts to clarify KUBOTA's level among other companies and its requirements concerning diversity from the next term and other social issues. It will become increasingly important to facilitate interactive communication by sending messages to and inviting input from the outside.

In response to the above comments

We have received comments from Professor Kokubu since 2009.

Considering his reliable opinions, we have developed our initiatives such as mid-term targets clarification reporting and environmental reporting, KUBOTA e-Project and the internal certification system for

This year, we placed a particular focus on the integrated presentation of our business and CSR activities, and description of our future vision in addition to historical data, as a corporate group that contributes to society through its business. As Professor Kokubu pointed out, more specific targets must be set for us to measure progress toward achievement of our future vision.

We at the KUBOTA Group will continue to flexibly adapt to the rapidly changing business environment, and remain a sustainable company that contributes to solving problems related to food, water and the environment around the world.



Kunio Suwa Executive Officer-General Manager of CSR Plan

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