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FOR IMMEDIATE RELEASE (MONDAY, NOVEMBER 8, 2004)

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2004 REPORTED BY KUBOTA CORPORATION

OSAKA, JAPAN, November 8, 2004 ---Kubota Corporation reported today its consolidated and non-consolidated results of operations for the six months ended September 30, 2004.

Note: THIS PRESS RELEASE REPLACES THE SEMIANNUAL REPORT.

Consolidated Financial Highlights

(Unaudited)

(1) Results of operations

(In millions of yen and thousands of U.S. dollars except per American Depositary Share ("ADS") amounts)

	Six months ended Sept. 30, 2004	% (*)	Six months ended Sept. 30, 2003	% (*)	Year ended Mar. 31, 2004
Net sales	¥445,774	5.7	¥421,540	1.7	¥930,237
	[$4,015,982]				
Operating income	¥51,067	207.7	¥16,598	(32.0)	¥21,849
	[$460,063]				
% of net sales	11.5		3.9		
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	¥57,142	205.8	¥18,686	(19.7)	¥27,097
	[$514,793]				
% of net sales	12.8		4.4		
Net income	¥54,760	681.2	¥7,010	(42.8)	¥11,700
	[$493,333]				
% of net sales	12.3%		1.7%		
Net income per ADS (5 common shares)					
Basic	¥205		¥26		¥44
	[$1.85]				
Diluted	¥198		¥25		¥43
	[$1.78]				

Notes. 1 : (*) represents percentage change from the comparable previous period.

2 : Weighted-average number of shares outstanding during the six months ended September 30, 2004 -------------- 1,335,471,581
Weighted-average number of shares outstanding during the six months ended September 30, 2003 -------------- 1,344,549,260
Weighted-average number of shares outstanding during the year ended March 31, 2004 -------------------------- 1,342,386,063

3 : Equity in net income of affiliated companies for the six months ended September 30, 2004 and 2003 was \642 million and \406 million, respectively.

(2)Financial position

(In millions of yen and thousands of U.S. dollars except per ADS amounts)

	Sept. 30, 2004	Sept. 30, 2003	Mar. 31, 2004
Total assets	¥1,126,385 [$10,147,613]	¥1,062,668	¥1,124,225
Shareholders' equity	¥424,926 [$3,828,162]	¥367,799	¥391,082
Ratio of shareholders' equity to total assets	37.7%	34.6%	34.8%
Shareholders' equity per ADS	¥1,607 [$14.48]	¥1,372	¥1,459

Notes to financial position:
Number of shares outstanding as of September 30, 2004 --------------------- 1,321,928,617
Number of shares outstanding as of September 30, 2003 --------------------- 1,340,143,980
Number of shares outstanding as of March 31, 2004 -------------------------- 1,340,197,124

(3) Summary of statements of cash flows (In millions of yen and thousands of U.S. dollars)

	Six months ended Sept. 30, 2004	Six months ended Sept. 30, 2003	Year ended Mar. 31, 2004
Net cash provided by operating activities	¥49,201 [$443,252]	¥64,373	¥110,597
Net cash used in investing activities	(¥55,931) [($503,883)]	(¥19,127)	(¥41,399)
Net cash used in financing activities	(¥2,941) [($26,495)]	(¥41,379)	(¥55,097)
Cash & cash equivalents, end of period	¥71,616 [$645,189]	¥71,420	¥81,221

(4) 117 subsidiaries are consolidated, and 36 affiliated companies are accounted for under the equity method.

(5) The number of newly consolidated companies during the period : 1
The number of companies newly excluded from consolidated subsidiaries during the period : 3

The number of newly affiliated companies during the period : 2
The number of companies newly excluded from affiliated companies during the period : 2

(6) Anticipated consolidated results of operations for the year ending March 31, 2005 (In millions of yen)

	Year ending March 31, 2005	Year ended March 31, 2004
Net sales	¥970,000	¥930,237
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	¥153,000	¥27,097
Net income	¥110,000	¥11,700

Basic net income per ADS for the year ending March 31, 2005 is anticipated to be \416.

Please refer to page 10 for further information related to anticipated results of operations mentioned above.

1. Management Policies

1. Basic management policy

More than a century since its founding, Kubota Corporation and subsidiaries (collectively the "Company") has continued to help improve people's quality of life, by offering products and services—including farm equipment, pipes for water supply and sewage systems, environmental control plants, and industrial castings. Through its businesses, the Company has contributed to providing a better future for people, society, and the earth. While adhering to this corporate philosophy, the Company is implementing management policies that include focusing on prioritizing allocation of its resources, emphasizing agility in its operations as well as strengthening consolidated operations. Through these measures, the Company aims to improve its adaptability to respond with flexibility to the changing times, resulting in a high enterprise value.

2. Basic policy related to the Company's profit allocation

The Company's basic policy for the allocation of profit is to "maintain stable or raising dividends". The Company's policy is to determine the most appropriate use of retained earnings, considering requirements of maintaining stable current business operations as well as adapting to the future business environment.

3. The Medium-Term Management Strategy including issues upon which the Company should implement countermeasures

In March 2001, the Company formulated the "Medium-Term Management Strategy", which was applied to the three-year period ended March 31, 2004, in order to attain further improvement in profitability. The strategy mainly consisted of three domains; "Reforming the business structure and profit structure", "Reforming operational systems", and "Focusing on finance strategy" and the Company had worked to implement the strategy with companywide efforts. In fiscal 2004, based on the achievements of the previous strategy and coping with changes in the operating environment, the Company drafted a new medium-term management strategy applicable to the two-year period ending March 31, 2006.

1) Reforming the business structure and profit structure

Under the new Medium-Term Management Strategy, the Company aims to attain net sales of ¥930.0 billion and operating income of ¥75.0 billion or 8 % of its consolidated net sales for the year ending March 31, 2006. In order to achieve these goals, the Company is earnestly working to implement this program, giving priority to: "Reinforcing profitability in public works related businesses" and "Expansion strategy in overseas markets".

(1) Reinforcing profitability in public works related businesses

The Company has set a high priority on reinforcing profitability in public works related businesses (Pipes, Valves, and Industrial Castings segment and Environmental Engineering segment), assuming severe business conditions with declining public expenditures will continue. To deal with and adapt to the changing business environment, the Company is changing its operational systems to more market-oriented ones, together with existing sweeping measures to reduce costs and spending. For this purpose, the Company is transplanting engineering and manufacturing know-how and cost management systems of our increasingly strong and successful operations in Internal Combustion Engine and Machinery to public works related business. The Company is also taking every measure to reevaluate its manufacturing facilities, production system, engineering and procurement operations in order to boost their productivity and achieve major cost reductions.

(2) Expansion strategy in overseas markets

In strategic businesses, the Company emphasizes the expansion of businesses through establishing operations in the fields related to its existing technologies, markets and other strengths.

In the U.S., the Company, while maintaining dominant market position of small-size tractors, challenges to increase the sales and raise the market shares of mid-size tractors. The Company also tries aggressively to increase the sales of construction machinery and utility vehicles in the peripheral market of tractors. To meet the rapidly expanding demands, and raise our productivity, the Company recently decided to establish a subsidiary for production of attachments to tractors.

In Europe, the Company intensifies to promote sales in the countries or regions where markets for our products are less developed. The Company also has implemented measures to strengthen the solid co-operation between subsidiaries in European countries. By these measures, the Company is aiming to raise our efficiency and market penetration of businesses in European countries.

In Asia, the Company is developing these promising markets with most suitable strategies for respective countries. In the People’s Republic of China, the Company established a sales and manufacturing subsidiary for combine harvesters and rice transplanters in 1998. In 2003, aiming for market development of construction machinery, the Company established a sales subsidiary in the People’s Republic of China, and the Company also began to operate a sales subsidiary for farm equipment in South Korea. Furthermore, in the period under review, the Company acquired the shares of an affiliated company in Thailand (The Siam Kubota Industry, Co., Ltd.) to be our subsidiary. Through these measures, the Company is rapidly implementing procedures to fortify the sales and production bases for expansion of businesses in this region.

2) Reforming operational systems

To cope with the fierce competition in domestic and overseas markets, the Company has been reforming operational systems, by reorganizing business divisions, empowering each business division, shrinking of corporate office headcount. Moreover, through increasing flexibility in operational systems by abolishing uniform business administration and promoting divisions to develop business model and operational systems suitable for each division, the Company has been establishing an autonomous divisional management system. Currently these procedures are gradually attaining success in some business units. For example, the building materials operation was transferred to an affiliated company jointly established with other company. It was decided a similar method would be applied to the PVC pipe operation next spring. The Company will continue the same effort to design the best business models and systems for each operation, aiming to further increase profitability of each business division.

Additionally the Company intends to strengthen the corporate governance so that we may build confidence among customers, employees, shareholders, and other stakeholders. We implemented a corporate governance program centering on internal control and comprehensive risk management.

3) Focusing on finance strategy

Kubota is taking measures to strengthen its financial position, in order to support the expansion of our businesses, and to have flexibility in adapting to future change in business environment. The Company focuses on cash generating activities and spends cash flows provided by operating activities on investing activities in each promising business while utilizing the cash flows to reduce interest-bearing debt or implementing share buy-backs. Through these measures, the Company aims to maintain solid financial position and to reduce the number of shares outstanding. Additionally, the Company intends to raise the shareholders' equity ratio. Specifically, the Company intends to reduce interest-bearing debt excluding debt related to its retail finance business to ¥140.0 billion (a decrease of ¥43.9 billion from March 2004) and increase the shareholders' equity ratio to more than 40.0% (an increase of 5.2 percentage points from March 2004) by March 2006.

(*) Interest-bearing debt = (Short-term borrowings) + (Current portion of long-term debt) + (Long-term debt)

4. Corporate governance: policy and implementation

The Company regards the relations between the Company and our stakeholders as important, and also believes that enhancement of our credit or reputation by our stakeholders leads to continuous growth of our enterprise value. In order to enhance the transparency of business and the soundness of operations for attaining such credit or reputation, the Company regards the strengthening of corporate governance as one of the indispensable factors and is fortifying its corporate governance system.

1) Current Structure of Corporate Governance

The Company's Corporate Governance system consists of the Board of Directors that has responsibility for ultimate decision-making and management-supervising, and Board of Auditors that has responsibility for managing the auditing.

Each Director is responsible for some specific department or business division. He/She participates in the Board of Directors' meetings for decision-making from the companywide point of view using a thorough understanding of activities of departments or divisions for which he/she is responsible. Accordingly, the Company doesn't appoint outside directors who are specialized for management-supervising function. The Company has another important committee that is composed of limited directors such as the president and the executive vice presidents. In the committee, important issues, such as drafting the medium-term management strategy or restructuring business organization, are discussed, and it supports the function of the Board of Directors, and contributes to smooth decision-making.

Corporate Auditors attend the Board of Directors' meetings and other important meetings, and conduct the audits of the execution of directors' management pursuant to the auditing policy prescribed by the Board of Auditors.

Currently, two auditors out of five are outside auditors, including a legal expert and a financial expert and their specialty is contributing to strengthen the function of Board of Auditors meeting.

As for the internal controls, the Company has acknowledged the importance of corporate auditing and compliance management. In June 2001, "Corporate Compliance Headquarters" was established, and with the assistance of knowledgeable independent advisors, the Company has been promoting to further strengthen business ethics as well as compliance management. Moreover, in November 2002, the Company established the Kubota Group Charter of Business Conduct and also set up a counseling hot line for employees to get consultation on any breaches of policy.

Additionally, the Company has also been working to establish better communications with shareholders and investors, and is making efforts to improve its financial reporting for better transparency and timely disclosure.

2) Relationship between the Company and outside corporate auditors in regard to personal, capital, and business interests

Currently, there are no special interests between the Company and the two outside Corporate Auditors, Mr. Teisuke Sono, and Mr. Yoshio Suekawa.

3) Measures implemented over the past year for better corporate governance

As a company listed on New York Stock Exchange, the Company must observe U.S. regulations. To meet the requirements of the Sarbanes - Oxley Act, which requires the companies listed on the U.S. stock markets to fortify their corporate governance, the Company established a project team, including outside experts. In addition, the Company strengthened its corporate auditing function by newly appointing a financial expert as a corporate auditor.

2. Review of Operations and Financial Condition

1. Review of operations

1) Outline of the results of operations for the six months under review

During the six months ended September 30, 2004, the Japanese economy experienced a trend of moderate recovery reflecting expansion of exports and private capital expenditures. However, exports showed signs of slowdown and, in addition, the surging price of raw materials including crude oil increased uncertainty of the future economic conditions. Overseas, although the expansion of the U.S. economy decelerated, it steadily expanded affected by favorable private capital expenditures or new housing starts and, in Europe, a trend of gradual improvement continued.

Under such conditions, sales of the Company during the six months under review were ¥445.8 billion, a 5.7% increase from the prior corresponding period. Domestic sales were ¥261.9 billion, a 3.3% decrease, resulting principally from the business transfer of building materials operations with the sales of ¥19.5 billion in the prior corresponding period. Overseas sales were ¥183.9 billion, a 22.1% increase, mainly due to the favorable sales increase of construction machinery and engines and, most of all, strong sales of tractors in North America. The percentage of overseas sales to total sales was 41.2%, 5.5 percentage points higher than the prior corresponding period.

Operating income was ¥51.1 billion, a 207.7% increase. In spite of the high appreciation of yen and soaring prices of raw materials, operating income soared due to large decrease of pension cost by ¥20.6 billion from the prior corresponding period, in addition to sales increase in Internal Combustion Engine and Machinery and implementation of a company-wide cost reduction program in Pipes, Valves and Industrial Castings.

Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies was ¥57.1 billion, a 205.8 % increase, which reflected an improvement in interest income and foreign exchange gains, as well as increase of operating income. As a result, after ¥0.7 billion of income taxes, ¥1.6 billion of minority interests in earnings of subsidiaries and the equity in net income of affiliated companies, net income during the six months under review was ¥54.8 billion, a 681.2% increase from the prior corresponding period.

2) Review of operations by product group

(1) Internal Combustion Engine and Machinery

Sales in Internal Combustion Engine and Machinery were ¥304.2 billion, 19.1% higher than the prior corresponding period, comprising 68.2% of consolidated net sales. Domestic sales increased 8.1% to ¥129.1 billion, and overseas sales also increased 28.8% to ¥175.1 billion. This segment consists of farm equipment and agriculture-related products, engines, and construction machinery.

Sales of farm equipment and engines increased 18.6% from the prior corresponding period, to ¥273.7 billion. Domestic sales increased 7.7% to ¥118.2 billion, and overseas sales also increased 28.4% to ¥155.5 billion.

In domestic market, sales increased thanks to an aggressive sales promotion campaign and large-scale demonstration activities by further enriching the series of products with improved performance and price competitiveness.

In overseas markets, sales of tractors in North America remained strong resulting from the sales campaign and introduction of new models, including “zero percent promotional interest rate” offered by its retail finance subsidiary. Most of all, a newly developed product “utility vehicle” was well received by the market and contributed to the sales expansion. In European markets, total sales remained steady in spite of the inclement weather. In Asian and Oceanian markets, the Company recorded favorable sales, especially in Australia, South Korea and Thailand. Sales of engines increased owing principally to the growing sales to original equipment manufacturers in European markets as well as in North American markets.

Sales of construction machinery increased 24.5% from the prior corresponding period, to ¥30.5 billion. Domestic sales increased 12.8% to ¥10.9 billion, and overseas sales increased 32.1 % to ¥19.6 billion. Domestic sales increased through the sales expansion to rental companies and the introduction of new models supported by improving demand. Against the background of growing worldwide demand, overseas sales also expanded sharply in European countries, our main market, and in the U.S. where the market of mini-excavators is rapidly expanding.

(2) Pipes, Valves and Industrial Castings

Sales in Pipes, Valves and Industrial Castings were ¥71.0 billion, 4.4% lower than the prior corresponding period, comprising 15.9% of consolidated net sales. Domestic sales increased 2.7% to ¥63.8 billion, and overseas sales decreased 41.0 % to ¥7.2 billion. This segment consists of two sub-segments; "pipes and valves" and "industrial castings".

Sales in pipes and valves decreased 7.3% from the prior corresponding period, to ¥56.3 billion. Domestic sales increased 1.4% to ¥54.5 billion, and overseas sales decreased 74.4 % to ¥1.8 billion. As for the domestic sales of ductile iron pipes and PVC pipes, unit prices improved gradually because the Company had been trying to raise it. However, sales of ductile iron pipes decreased due to the low demand from the municipalities. On the other hand, sales of PVC pipes increased favorably while PVC market was growing tight. While sales of spiral welded pipes increased, sales of valves stayed at the same level as the prior corresponding period. Overseas sales deteriorated significantly because shipments of large orders to Middle East countries were over in the prior fiscal year.

Sales of industrial castings increased 8.8% from the prior corresponding period, to ¥14.6 billion. Domestic sales increased 11.1% to ¥9.3 billion, and overseas sales increased 5.0% to ¥5.4 billion. Domestic sales were favorable thanks to the brisk sales to the steel industries or automobile industries. Overseas sales also rose due principally to the brisk exports to Chinese steel industries.

(3) Environmental Engineering

Sales in Environmental Engineering were ¥18.2 billion, 17.2% lower than the prior corresponding period, comprising 4.1% of consolidated net sales. Domestic sales decreased 18.0% to ¥17.1 billion, and overseas sales decreased 4.6% to ¥1.2 billion. This segment consists of environmental plants and pumps.

Domestic sales deteriorated significantly from the prior corresponding period, because sales of water purification plants or sewage treatment plants decreased due to the sluggish orders recorded in the prior year. Furthermore, total sales of incinerators decreased because sales of several large orders were recorded in the prior corresponding period. As for pumps, total sales increased due to the favorable domestic sales.

(4) Other

Sales of Other were ¥52.4 billion, 25.1% lower than the prior corresponding period, comprising 11.8% of consolidated net sales. Domestic sales decreased 24.3% to ¥51.9 billion, and overseas sales declined 64.0% to ¥0.5 billion. This segment consists of vending machines, electronic-equipped machinery, air-conditioning equipment, construction and so forth.

Domestic sales decreased due mainly to the business transfer of building materials, however sales of vending machines increased reflecting recovering demand, and sales of septic tanks and air-conditioning equipment were favorable. On the other hand, sales of electronic-equipped machinery remained flat and sales of construction and condominiums declined from the prior corresponding period.

2. Financial condition

1) Assets and liabilities

Total assets at the end of September 2004 amounted to ¥1,126.4 billion, an increase of ¥63.7 billion (6.0%) from the end of the prior corresponding period. As for assets, due to the business transfer of building materials, fixed assets decreased, while the finance receivables and other investments increased. Regarding the liabilities and shareholders' equity, through the satisfactory increase of net income and the improvement in accumulated other comprehensive income comprising unrealized gains on securities, shareholders' equity increased.

Compared with those at the end of March 2004, total assets increased ¥2.2 billion (0.2%). As for assets, while current assets including the notes and accounts receivables decreased, investments increased. Additionally, due to the increase of deferred tax assets, other assets increased. Regarding the liabilities and shareholders' equity, the decrease of long-term liabilities was mainly due to the decline of long-term debt, while shareholders' equity increased. As a result, the shareholders' equity ratio increased 2.9 percentage points to 37.7%. Interest- bearing debt excluding the amount used in retail finance business decreased ¥31.5 billion to ¥152.4 billion.

2) Cash flows

Net cash provided by operating activities during the six months under review was ¥49.2 billion, a decrease of ¥15.2 billion from the prior corresponding period and was consistent with net income.

Net cash used in investing activities was ¥55.9 billion, an increase of ¥36.8 billion from the prior corresponding period. The amount of finance receivables increased because the businesses in the U.S. market remained strong and a financing provided by a subsidiary in the U.S. increased significantly.

Net cash used in financing activities was ¥2.9 billion, a decrease of ¥38.4 billion from the prior corresponding period. This was mainly due to the increase of debt resulting from the increase of finance receivables in the U.S.

As a result, including the effect of exchange rate, cash and cash equivalents at September 30, 2004 was ¥71.6 billion, a decrease of ¥9.6 billion as compared with the balance at the end of the prior corresponding period.

3. Matter concerning profit allocation for this half of the fiscal year

The Company decided to pay interim cash dividends of ¥15 per ADS, consistent with the prior corresponding period.

3. Prospect for the Full Fiscal Year

Although Japanese economy is expected to recover at full scale, public investment in Japan is forecasted to decline and recovery trend depends upon the overseas demands that are very sensitive to the fluctuation of overseas economic conditions. Moreover, soaring price of raw materials might negatively affect the Japanese economic condition. All things being considered, the Company expects the difficult economic conditions will continue.

Looking ahead, the Company forecasts net sales for the year ending March 31, 2005 at ¥970.0 billion, increase of ¥39.8 billion from the prior year in spite of the business transfer of building materials.

Operating income is also forecasted to be ¥88.0 billion, increase of ¥66.2 billion. This increase is due to sales increase in Internal Combustion and Engine and Machinery segment, company-wide cost reduction program, and, most of all, significant improvement in pension cost because of the extraordinary large amount of pension cost recognized in the prior year.

The Company also expects income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies at ¥153.0 billion, increase of ¥125.9 billion from the prior year, due to the large increase in other income-net resulting from the gains related to the transfer to the government of the substitutional portion of the benefit obligation and related plan assets (Daiko-henjo). As the result, net income will be ¥110.0 billion, increase of ¥98.3 billion from the prior year. (These forecasts anticipate an exchange rate of ¥109=US$1.)

(*) Note ： Pension cost on consolidated basis

On January 30, 2003, the Company was given an approval of its application for an exemption from the obligation to pay benefits for future employee service related to the substitutional portion of its employee benefit pension plan by Ministry of Health, Labor and Welfare in Japan. Regarding the obligation to pay benefits for past employee service, the Company was also given the approval on September 1, 2004.

Based upon U.S. GAAP, the Company will recognize the gains related to the transfer to the government of the substitutional portion of the benefit obligation and related plan assets when the Company completes the transfer. Currently the Company plans to implement the transfer during the six months ending March 31, 2005.

Accordingly the current financial forecasts by the Company includes total gains of ¥55.2 billion which consists of losses of ¥2.4 billion applied to operating income, and gains of ¥57.6 billion applied to other income-net.

The ¥2.4 billion losses is due to the recognition of actuarial loss on the substitutional portion for the transfer, and the ¥57.6 billion gains represents the difference between the benefit obligation and related plan assets of the substitutional portion for the transfer.

< Cautionary Statements with Respect to Forward – Looking Statements >

Projected results of operations and other future forecasts contained in this report are the estimates of the Company based on information available to the Company as of this published date. Therefore, those projections include certain potential risks and uncertainties. Accordingly, the users of this information are requested to note that the actual results could differ materially from those future projections. Major factors that could influence the ultimate outcome include the economic condition surrounding the Company, foreign exchange rates, agricultural policy in Japan, the trend of public investment and private capital expenditure in Japan, the price-competitive pressure in the market, the ability for the Company to manufacture or innovate the products which will be accepted in the market. And the user of the information should notice that factors that could influence the ultimate outcome of the Company are not limited to the factors above.

Consolidated Statements of Income

(Unaudited)

(In millions of yen)

	Six months ended Sept. 30, 2004		Six months ended Sept. 30, 2003		Change		Year ended Mar. 31, 2004	
	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	445,774	100.0	421,540	100.0	24,234	5.7	930,237	100.0
Cost of sales	318,489	71.4	315,412	74.8	3,077	1.0	701,727	75.4
Selling, general, and administrative expenses	82,084	18.4	91,174	21.7	(9,090)	(10.0)	199,768	21.5
Loss (gain) from disposal and impairment of business and fixed assets	(5,866)	(1.3)	(1,644)	(0.4)	(4,222)	256.8	6,893	0.8
Operating income	51,067	11.5	16,598	3.9	34,469	207.7	21,849	2.3
Other income (expenses):								
Interest and dividend income	4,528		3,409		1,119		7,264	
Interest expense	(2,074)		(1,711)		(363)		(4,286)	
Foreign exchange gains (losses)	2,784		(1,907)		4,691		(1,534)	
Other-net	837		2,297		(1,460)		3,804	
Other income (expenses), net	6,075		2,088		3,987		5,248	
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	57,142	12.8	18,686	4.4	38,456	205.8	27,097	2.9
Income taxes:								
Current	9,759		10,786		(1,027)		29,255	
Deferred	(9,018)		(91)		(8,927)		(15,554)	
Total income taxes	741		10,695		(9,954)		13,701	
Minority interests in earnings of subsidiaries	2,283		1,387		896		2,476	
Equity in net income of affiliated companies	642		406		236		780	
Net income	54,760	12.3	7,010	1.7	47,750	681.2	11,700	1.3

(In yen)

	Six months ended Sept. 30, 2004	Six months ended Sept. 30, 2003	Change	Year ended Mar. 31, 2004
Basic earnings per ADS (5 common shares):	205	26		44
Diluted earnings per ADS (5 common shares):	198	25		43

Consolidated Balance Sheets

(Unaudited)

Assets (In millions of yen)

	Sept. 30, 2004		Sept. 30, 2003		Change	Mar. 31, 2004	
	Amount	%	Amount	%	Amount	Amount	%
Current assets:							
Cash and cash equivalents	71,616		71,420		196	81,221	
Short-term investments	-		-		-	3,001	
Notes and accounts receivable:							
Trade notes	54,009		62,668		(8,659)	73,834	
Trade accounts	170,156		158,715		11,441	206,609	
Less : Allowance for doubtful receivables	(2,152)		(1,793)		(359)	(2,185)	
Total	222,013		219,590		2,423	278,258	
Short-term finance receivables	59,585		38,761		20,824	47,065	
Inventories	143,354		148,603		(5,249)	142,973	
Other current assets	89,656		86,689		2,967	61,909	
Total current assets	586,224	52.0	565,063	53.2	21,161	614,427	54.7
Investments:							
Investments in and advances to affiliated companies	11,268		11,685		(417)	12,982	
Long-term finance receivables	99,038		64,749		34,289	66,779	
Other investments	134,473		114,156		20,317	148,482	
Total investments	244,779	21.7	190,590	17.9	54,189	228,243	20.3
Property, plant, and equipment:							
Land	82,212		78,946		3,266	81,671	
Buildings	200,222		198,150		2,072	200,535	
Machinery and equipment	361,154		400,770		(39,616)	364,572	
Construction in progress	1,906		5,439		(3,533)	2,313	
Total	645,494		683,305		(37,811)	649,091	
Accumulated depreciation	(426,301)		(449,972)		23,671	(426,345)	
Net property, plant, and equipment	219,193	19.5	233,333	22.0	(14,140)	222,746	19.8
Other assets:	76,189	6.8	73,682	6.9	2,507	58,809	5.2
Total	1,126,385	100.0	1,062,668	100.0	63,717	1,124,225	100.0

Consolidated Balance Sheets

(Unaudited)

Liabilities and Shareholders' Equity (In millions of yen)

	Sept. 30, 2004		Sept. 30, 2003		Change	Mar. 31, 2004	
	Amount	%	Amount	%	Amount	Amount	%
Current liabilities:							
Short term borrowings	102,053		98,284		3,769	85,999	
Trade notes payable	23,152		22,653		499	35,309	
Trade accounts payable	137,387		127,476		9,911	158,397	
Advances received from customers	9,735		8,003		1,732	6,026	
Notes and accounts payable for capital expenditures	7,470		11,968		(4,498)	7,747	
Accrued payroll costs	24,080		22,898		1,182	23,519	
Accrued expenses	24,634		22,214		2,420	21,545	
Income taxes payable	6,105		6,484		(379)	15,179	
Other current liabilities	27,211		26,324		887	25,101	
Current portion of long-term debt	63,621		42,401		21,220	35,858	
Total current liabilities	425,448	37.8	388,705	36.6	36,743	414,680	36.9
Long-term liabilities:							
Long-term debt	114,957		138,203		(23,246)	144,845	
Accrued retirement and pension costs	138,351		139,395		(1,044)	143,679	
Other long-term liabilities	2,579		14,013		(11,434)	14,293	
Total long-term liabilities	255,887	22.7	291,611	27.4	(35,724)	302,817	26.9
Minority interests:	20,124	1.8	14,553	1.4	5,571	15,646	1.4
Shareholders' equity:							
Common stock	78,156		78,156		-	78,156	
Additional paid-in capital	87,263		87,263		-	87,263	
Legal reserve	19,539		19,539		-	19,539	
Retained earnings	231,013		203,489		27,524	204,156	
Accumulated other comprehensive income	19,061		3,486		15,575	26,075	
Treasury stock	(10,106)		(24,134)		14,028	(24,107)	
Total shareholders' equity	424,926	37.7	367,799	34.6	57,127	391,082	34.8
Total	1,126,385	100.0	1,062,668	100.0	63,717	1,124,225	100.0

Consolidated Statements of Comprehensive Income

(Unaudited)

(In millions of yen)

	Six months ended Sept. 30, 2004	Six months ended Sept. 30, 2003	Year ended Mar. 31, 2004
Net income	54,760	7,010	11,700
Other comprehensive income (loss), net of tax :			
Foreign currency translation adjustments	439	1,749	(7,535)
Unrealized gains (losses) on securities	(7,493)	22,424	43,368
Minimum pension liability adjustment	609	26,113	37,565
Unrealized gains (losses) on derivatives	(569)	1,295	772
Other comprehensive income (loss)	(7,014)	51,581	74,170
Comprehensive income	47,746	58,591	85,870

Consolidated Statements of Shareholders' Equity

(Unaudited)

Six months ended Sept. 30, 2004 (In millions of yen)

	Shares of common stock outstanding (thousands)	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance, Apr. 1, 2004	1,340,197	78,156	87,263	19,539	204,156	26,075	(24,107)
Net income					54,760		
Other comprehensive loss						(7,014)	
Cash dividends, \15 per ADS (5 common shares)					(4,022)		
Purchases of treasury stock	(18,268)						(9,880)
Cancellation of treasury stock					(23,881)		23,881
Balance, Sept. 30, 2004	1,321,929	78,156	87,263	19,539	231,013	19,061	(10,106)

Six months ended Sept. 30, 2003 (In millions of yen)

	Shares of common stock outstanding (thousands)	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance, Apr. 1, 2003	1,345,450	78,156	87,263	19,539	200,517	(48,095)	(21,937)
Net income					7,010		
Other comprehensive income						51,581	
Cash dividends, \15 per ADS (5 common shares)					(4,038)		
Purchases of treasury stock	(5,306)						(2,197)
Balance, Sept. 30, 2003	1,340,144	78,156	87,263	19,539	203,489	3,486	(24,134)

Year ended Mar. 31, 2004 (In millions of yen)

	Shares of common stock outstanding (thousands)	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance, Apr. 1, 2003	1,345,450	78,156	87,263	19,539	200,517	(48,095)	(21,937)
Net income					11,700		
Other comprehensive income						74,170	
Cash dividends, \30 per ADS (5 common shares)					(8,061)		
Purchases of treasury stock	(5,253)						(2,170)
Balance, Mar. 31, 2004	1,340,197	78,156	87,263	19,539	204,156	26,075	(24,107)

Consolidated Statements of Cash Flows

(Unaudited)

(In millions of yen)

	Six months ended Sept. 30, 2004	Six months ended Sept. 30, 2003	Change	Year ended Mar. 31, 2004
Operating activities:				
Net income	54,760	7,010	47,750	11,700
Depreciation and amortization	12,061	13,416	(1,355)	27,755
Provision for retirement and pension costs, less payments	(3,293)	23,981	(27,274)	48,516
Loss on sales of securities	(419)	(1,817)	1,398	(3,161)
Valuation losses on short-term and other investments	98	521	(423)	1,083
(Gain) loss on disposal of fixed assets	(522)	(242)	(280)	4,122
Impairment loss on fixed assets	-	-	-	1,263
Deferred income taxes	(9,018)	(91)	(8,927)	(15,554)
Decrease in notes and accounts receivable	56,621	111,883	(55,262)	48,239
Decrease in inventories	1,283	5,204	(3,921)	6,954
Increase in other current assets	(29,209)	(37,568)	8,359	(15,812)
Decrease in trade notes and accounts payable	(33,436)	(56,056)	22,620	(9,521)
Increase (decrease) in income taxes payable	(9,293)	(3,573)	(5,720)	5,195
Increase in other current liabilities	9,726	2,081	7,645	310
Other	(158)	(376)	218	(492)
Net cash provided by operating activities	49,201	64,373	(15,172)	110,597
Investing activities:				
Purchases of fixed assets	(9,805)	(13,260)	3,455	(26,493)
Purchases of investments and change in advances	(2,359)	475	(2,834)	9,257
Proceeds from sales of property, plant, and equipment	1,292	1,702	(410)	3,129
Proceeds from sales of investments	1,903	5,074	(3,171)	8,182
Proceeds (payments) from sale of business	(6,095)	2,562	(8,657)	2,562
Increase in finance receivables	(43,893)	(15,971)	(27,922)	(34,928)
Other	3,026	291	2,735	(3,108)
Net cash used in investing activities	(55,931)	(19,127)	(36,804)	(41,399)
Financing activities:				
Proceeds from long-term debt	23,918	16,233	7,685	37,128
Repayments of long-term debt	(28,038)	(54,444)	26,406	(74,171)
Net increase (decrease) in short-term borrowings	16,094	3,389	12,705	(7,489)
Cash dividends	(4,022)	(4,038)	16	(8,061)
Purchases of treasury stock	(9,915)	(2,197)	(7,718)	(2,223)
Other	(978)	(322)	(656)	(281)
Net cash used in financing activities	(2,941)	(41,379)	38,438	(55,097)
Effect of exchange rate changes on cash and cash equivalents	66	191	(125)	(242)
Net increase (decrease) in cash and cash equivalents	(9,605)	4,058	(13,663)	13,859
Cash and cash equivalents, beginning of period	81,221	67,362	13,859	67,362
Cash and cash equivalents, end of period	71,616	71,420	196	81,221

(In millions of yen)

Notes:				
Cash paid:				
Interest	2,036	1,703	333	4,459
Income taxes	18,926	14,352	4,574	24,030

Consolidated Segment Information

(Unaudited)

(1) Information by Industry Segment

Six months ended Sept. 30, 2004 (In millions of yen)

		Internal Combustion Engine & Machinery	Pipes, Valves & Industrial Castings	Environmental Engineering	Other	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	304,184	70,951	18,247	52,392	445,774	-	445,774
	Intersegment	10	3,270	102	6,548	9,930	(9,930)	-
	Total	304,194	74,221	18,349	58,940	455,704	(9,930)	445,774
Cost of sales and operating expenses		257,041	70,152	19,978	51,686	398,857	(4,150)	394,707
Operating income (loss)		47,153	4,069	(1,629)	7,254	56,847	(5,780)	51,067

Six months ended Sept. 30, 2003 (In millions of yen)

		Internal Combustion Engine & Machinery	Pipes, Valves & Industrial Castings	Environmental Engineering	Other	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	255,341	74,230	22,049	69,920	421,540	-	421,540
	Intersegment	8	2,406	513	6,968	9,895	(9,895)	-
	Total	255,349	76,636	22,562	76,888	431,435	(9,895)	421,540
Cost of sales and operating expenses		221,951	81,684	25,091	77,910	406,636	(1,694)	404,942
Operating income (loss)		33,398	(5,048)	(2,529)	(1,022)	24,799	(8,201)	16,598

Year ended Mar. 31, 2004 (In millions of yen)

		Internal Combustion Engine & Machinery	Pipes, Valves & Industrial Castings	Environmental Engineering	Other	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	501,551	175,178	115,721	137,787	930,237	-	930,237
	Intersegment	32	6,923	696	16,581	24,232	(24,232)	-
	Total	501,583	182,101	116,417	154,368	954,469	(24,232)	930,237
Cost of sales and operating expenses		447,559	187,783	116,286	162,180	913,808	(5,420)	908,388
Operating income (loss)		54,024	(5,682)	131	(7,812)	40,661	(18,812)	21,849

(*) Please refer to Note 7 on page 19.

(2) Information by Geographic Segment

Six months ended Sept. 30, 2004 (In millions of yen)

		Japan	North America	Other Areas	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	271,262	124,727	49,785	445,774	-	445,774
	Intersegment	88,457	1,623	1,231	91,311	(91,311)	-
	Total	359,719	126,350	51,016	537,085	(91,311)	445,774
Cost of sales and operating expenses		322,475	113,337	46,038	481,850	(87,143)	394,707
Operating income		37,244	13,013	4,978	55,235	(4,168)	51,067

Six months ended Sept. 30, 2003 (In millions of yen)

		Japan	North America	Other Areas	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	288,320	98,149	35,071	421,540	-	421,540
	Intersegment	66,073	2,085	970	69,128	(69,128)	-
	Total	354,393	100,234	36,041	490,668	(69,128)	421,540
Cost of sales and operating expenses		348,309	87,911	32,834	469,054	(64,112)	404,942
Operating income		6,084	12,323	3,207	21,614	(5,016)	16,598

Year ended Mar. 31, 2004 (In millions of yen)

		Japan	North America	Other Areas	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	675,442	188,767	66,028	930,237	-	930,237
	Intersegment	154,741	2,656	1,949	159,346	(159,346)	-
	Total	830,183	191,423	67,977	1,089,583	(159,346)	930,237
Cost of sales and operating expenses		815,158	172,195	63,338	1,050,691	(142,303)	908,388
Operating income		15,025	19,228	4,639	38,892	(17,043)	21,849

(3) Overseas Sales

Six months ended Sept. 30, 2004 (In millions of yen)

	North America	Other Areas	Total
Overseas sales	124,802	59,060	183,862
Consolidated net sales			445,774
Ratio of overseas sales to consolidated net sales	28.0%	13.2%	41.2%

Six months ended Sept. 30, 2003 (In millions of yen)

	North America	Other Areas	Total
Overseas sales	98,017	52,604	150,621
Consolidated net sales			421,540
Ratio of overseas sales to consolidated net sales	23.2%	12.5%	35.7%

Year ended Mar. 31, 2004 (In millions of yen)

	North America	Other Areas	Total
Overseas sales	189,273	97,618	286,891
Consolidated net sales			930,237
Ratio of overseas sales to consolidated net sales	20.3%	10.5%	30.8%

Fair Value of Short-Term and Other Investments

(Unaudited)

The Company classifies its holding marketable equity securities and all of its debt securities as available for sale securities, which are reported at their fair value on the Company's balance sheets. The following table presents cost, fair value, and net unrealized holding gains for securities by major security type at September 30, 2004, 2003, and March 31, 2004.

(In millions of yen)

	Sept. 30, 2004			Sept. 30, 2003			Mar. 31, 2004		
	Cost	Fair value	Net unrealized holding gains	Cost	Fair value	Net unrealized holding gains	Cost	Fair value	Net unrealized holding gains
Short-term investments:									
Governmental and corporate debt securities and other	-	-	-	-	-	-	3,001	3,001	-
Other investments (*):									
Equity securities of financial institutions	22,274	77,374	55,100	22,347	60,583	38,236	22,307	89,682	67,375
Other equity securities	18,974	43,619	24,645	20,201	38,705	18,504	19,431	44,463	25,032
Other	813	843	30	1,607	1,685	78	1,608	1,695	87
Total	42,061	121,836	79,775	44,155	100,973	56,818	46,347	138,841	92,494

(*) "Other investments" on the Company's balance sheets includes investments in non-traded and unaffiliated companies, for which there is no readily determinable fair value. They were stated at cost of \12,637 million, \13,183 million, and \12,642 million at September 30, 2004, 2003, and March 31, 2004, respectively.

Notes:

1. The United States dollar amounts included herein represent translations using the approximate exchange rate on September 30, 2004, of ¥111 = US$1, solely for convenience.

2. Each American Depositary Share (“ADS”) represents five common shares.

3. 117 subsidiaries are consolidated.

Major consolidated subsidiaries:	Domestic	Kubota Construction Co., Ltd.
		Kubota Credit Co., Ltd.
		Kubota Maison Co., Ltd.
		Kubota Environmental Service Co., Ltd.
	Overseas	Kubota Tractor Corporation
		Kubota Credit Corporation, U.S.A.
		Kubota Manufacturing of America Corporation
		Kubota Engine America Corporation
		Kubota Metal Corporation
		Kubota Baumaschinen GmbH
		Kubota Europe S.A.S.

4. 36 affiliated companies are accounted for under the equity method.

Major affiliated companies :	Domestic	23 sales companies of farm equipment
		Kubota Matsushitadenko Exterior Works, Ltd.

5. Summary of accounting policies

   ① The accompanying consolidated financial information has been prepared in accordance with accounting principles generally accepted in the United States of America except for the presentation for segment information described in ②.

   ② The consolidated segment information is prepared in accordance with a requirement of the Japanese Securities and Exchange regulations. This disclosure is not consistent with SFAS No.131, “Disclosures about Segments of an Enterprise and Related Information”.

6. Finance receivables were previously classified into notes and accounts receivable in current assets on the consolidated balance sheet. However, the Company reconsidered its classification of these receivables and restated finance receivables into two segments ; "Short-term finance receivables" in current assets and “Long-term finance receivables” in investments. The short-term portion includes finance receivables which become due within one year, and the long-term portion includes amounts that become due after one year.
   Additionally, on the consolidated statements of cash flows, activity related to finance receivables was previously classified in net cash provided by operating activities as "Increase (decrease) in notes and accounts receivable". Such activity was reclassified in net cash used in investing activities as "Increase in finance receivables".

7. In December 2003, the Company transferred the building materials business to one of our affiliated companies (Kubota Matsushitadenko Exterior Works, Ltd.) (accounted for using the equity method). Accordingly, the "Building Materials & Housing" segment was considered immaterial, and was transferred to the "Other" segment.

8. The consolidated financial reports for the prior period and the prior year have been reclassified to conform to the presentation for the six months ended September 30, 2004.

Consolidated Net Sales by Product Group

(Unaudited)

(In millions of yen)

	Six months ended Sept. 30, 2004		Six months ended Sept. 30, 2003		Change		Year ended Mar. 31, 2004	
	Amount	%	Amount	%	Amount	%	Amount	%
Farm Equipment and Engines	**273,706**	**61.4**	**230,858**	**54.8**	**42,848**	**18.6**	**450,740**	**48.4**
Domestic	118,198		109,727		8,471		219,786	
Overseas	155,508		121,131		34,377		230,954	
Construction Machinery	**30,478**	**6.8**	**24,483**	**5.8**	**5,995**	**24.5**	**50,811**	**5.5**
Domestic	10,909		9,672		1,237		23,192	
Overseas	19,569		14,811		4,758		27,619	
Internal Combustion Engine & Machinery	**304,184**	**68.2**	**255,341**	**60.6**	**48,843**	**19.1**	**501,551**	**53.9**
Domestic	129,107	29.0	119,399	28.4	9,708	8.1	242,978	26.1
Overseas	175,077	39.2	135,942	32.2	39,135	28.8	258,573	27.8
Pipes and Valves	**56,317**	**12.6**	**60,779**	**14.4**	**(4,462)**	**(7.3)**	**143,773**	**15.4**
Domestic	54,518		53,747		771		130,656	
Overseas	1,799		7,032		(5,233)		13,117	
Industrial Castings	**14,634**	**3.3**	**13,451**	**3.2**	**1,183**	**8.8**	**31,405**	**3.4**
Domestic	9,283		8,357		926		21,844	
Overseas	5,351		5,094		257		9,561	
Pipes, Valves & Industrial Castings	**70,951**	**15.9**	**74,230**	**17.6**	**(3,279)**	**(4.4)**	**175,178**	**18.8**
Domestic	63,801	14.3	62,104	14.7	1,697	2.7	152,500	16.4
Overseas	7,150	1.6	12,126	2.9	(4,976)	(41.0)	22,678	2.4
Environmental Engineering	**18,247**	**4.1**	**22,049**	**5.2**	**(3,802)**	**(17.2)**	**115,721**	**12.4**
Domestic	17,097	3.8	20,844	4.9	(3,747)	(18.0)	112,381	12.1
Overseas	1,150	0.3	1,205	0.3	(55)	(4.6)	3,340	0.3
Building Materials & Housing	**13,437**	**3.0**	**33,355**	**7.9**	**(19,918)**	**(59.7)**	**51,823**	**5.6**
Domestic	13,437		33,355		(19,918)		51,823	
Other	**38,955**	**8.8**	**36,565**	**8.7**	**2,390**	**6.5**	**85,964**	**9.3**
Domestic	38,470		35,217		3,253		83,664	
Overseas	485		1,348		(863)		2,300	
Other	**52,392**	**11.8**	**69,920**	**16.6**	**(17,528)**	**(25.1)**	**137,787**	**14.9**
Domestic	51,907	11.7	68,572	16.3	(16,665)	(24.3)	135,487	14.6
Overseas	485	0.1	1,348	0.3	(863)	(64.0)	2,300	0.3
Total	**445,774**	**100.0**	**421,540**	**100.0**	**24,234**	**5.7**	**930,237**	**100.0**
Domestic	261,912	58.8	270,919	64.3	(9,007)	(3.3)	643,346	69.2
Overseas	183,862	41.2	150,621	35.7	33,241	22.1	286,891	30.8

(*) Please refer to Note 7 on page 19.

Anticipated Consolidated Net Sales by Industry Segment

(In billions of yen)

	Year ending Mar. 31, 2005		Year ended Mar. 31, 2004		Change	
	Amount	%	Amount	%	Amount	%
Domestic	251.0		242.9		8.1	3.3
Overseas	311.0		258.6		52.4	20.3
Internal Combustion Engine & Machinery	562.0	57.9	501.5	53.9	60.5	12.1
Domestic	153.0		152.5		0.5	0.3
Overseas	16.0		22.7		(6.7)	(29.5)
Pipes, Valves & Industrial Castings	169.0	17.4	175.2	18.8	(6.2)	(3.5)
Domestic	117.0		112.4		4.6	4.1
Overseas	3.0		3.3		(0.3)	(9.1)
Environmental Engineering	120.0	12.4	115.7	12.4	4.3	3.7
Domestic	-		51.8		(51.8)	(100.0)
Overseas	-		-		-	-
Building Materials & Housing	-	-	51.8	5.6	(51.8)	(100.0)
Domestic	116.0		83.7		32.3	38.6
Overseas	3.0		2.3		0.7	30.4
Other	119.0	12.3	86.0	9.3	33.0	38.4
Grand Total	970.0	100.0	930.2	100.0	39.8	4.3

Domestic	637.0	65.7	643.3	69.2	(6.3)	(1.0)
Overseas	333.0	34.3	286.9	30.8	46.1	16.1

Non-consolidated Financial Highlights

(Unaudited)

(1) The date of the Board of Directors' meeting------------------- Monday, November 8, 2004

(2) Payment date of interim dividends------------------------------ Wednesday, December 8, 2004

(3) Results of operations (In millions of yen except per ADS information)

	Six months ended Sept. 30, 2004	Change (*)	Six months ended Sept. 30, 2003	Change (*)	Year ended Mar. 31, 2004
Net sales	¥284,033	(3.2 %)	¥293,363	1.3 %	¥663,827
Operating income	¥18,859	52.7 %	¥12,353	172.3 %	¥41,829
% of net sales	6.6%		4.2%		
Ordinary income	¥24,614	37.8 %	¥17,860	491.2 %	¥45,964
% of net sales	8.7%		6.1%		
Net income	¥20,279	100.6 %	¥10,109	247.3 %	¥21,709
% of net sales	7.1%		3.4%		
Net income per ADS (5 common shares)	¥76	-	¥38	-	¥81

Notes to results of operations :

1. Weighted-average number of shares outstanding during the six months ended September 30, 2004-- 1,335,956,636
   Weighted-average number of shares outstanding during the six months ended September 30, 2003-- 1,345,195,179
   Weighted-average number of shares outstanding during the year ended March 31, 2004--------------- 1,342,977,305
2. (*) represents percentage change from the comparable previous period.

(4) Cash dividends

Interim cash dividends per ADS (5 common shares) for the six months ended September 30, 2004 --------- ¥15

Interim cash dividends per ADS (5 common shares) for the six months ended September 30, 2003 --------- ¥15

Cash dividends per ADS (5 common shares) for the fiscal year ended March 31, 2004 ------------------------ ¥30

(5) Financial position (In millions of yen except per ADS information)

	Sept. 30, 2004	Sept. 30, 2003	Mar. 31, 2004
Total assets	¥791,584	¥808,517	¥867,690
Shareholders' equity	¥382,640	¥355,177	¥383,925
Ratio of shareholders' equity to total assets	48.3%	43.9%	44.2%
Shareholders' equity per ADS	¥1,447	¥1,325	¥1,432

Notes to financial position:

Number of shares outstanding as of September 30, 2004 ----------------- 1,322,361,619

Number of shares outstanding as of September 30, 2003 ----------------- 1,340,790,443

Number of shares outstanding as of March 31, 2004 ---------------------- 1,340,734,232

Number of treasury stocks as of September 30, 2004 --------------------- 18,447,359

Number of treasury stocks as of September 30, 2003 --------------------- 69,018,535

Number of treasury stocks as of March 31, 2004 -------------------------- 69,074,746

(6) Anticipated annual results of operations (In millions of yen except per share information)

	Year ending Mar. 31, 2005
Net sales	¥670,000
Ordinary income	¥58,500
Net income	¥40,000
Annual dividends per ADS (5 common shares) (**)	¥30
Net income per ADS (5 common shares)	¥151

(**) Including interim dividends which will be paid on December 8, 2004.

Notes to anticipated results of operations for the year ending March 31, 2005 :

1. The non-consolidated financial information is prepared in accordance with accounting principles generally accepted in Japan and includes the information of the parent company only. It should not be confused with condensed consolidated financial information.
2. All figures in the non-consolidated financial information have been rounded down except per ADS information.
3. Please refer to page 10 for further information related to the anticipated results of operations mentioned above.