

KUBOTA Corporation

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FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2024 [IFRS]

Kubota Corporation hereby reports its consolidated results for the year ended December 31, 2024.

Consolidated Financial Highlights**1. Consolidated financial results for the year ended December 31, 2024****(1) Results of operations**

(Unit: millions of yen, except per share amounts)

	Year ended Dec. 31, 2024	Change (%)	Year ended Dec. 31, 2023	Change (%)
Revenue	¥ 3,016,281	(0.1)	¥ 3,020,711	12.8
Operating profit	¥ 315,636	(4.0)	¥ 328,829	53.4
% of revenue	10.5%		10.9%	
Profit before income taxes	¥ 335,297	(2.0)	¥ 342,289	48.1
% of revenue	11.1%		11.3%	
Profit for the year	¥ 259,664	(0.1)	¥ 259,998	49.0
% of revenue	8.6%		8.6%	
Profit attributable to owners of the parent	¥ 230,437	(3.4)	¥ 238,455	52.4
% of revenue	7.6%		7.9%	
Comprehensive income for the year	¥ 460,832	13.2	¥ 407,057	32.0
% of revenue	15.3%		13.5%	
Earnings per share attributable to owners of the parent:				
Basic	¥ 197.61		¥ 201.74	
Diluted	—		—	
Ratio of profit attributable to owners of the parent to equity attributable to owners of the parent	9.9%		11.8%	
Ratio of profit before income taxes to total assets	5.9%		6.8%	

(2) Financial position

(Unit: millions of yen, except per share amounts)

	Dec. 31, 2024	Dec. 31, 2023
Total assets	¥ 6,018,665	¥ 5,359,247
Total equity	¥ 2,739,766	¥ 2,416,067
Equity attributable to owners of the parent	¥ 2,477,314	¥ 2,175,773
Ratio of equity attributable to owners of the parent to total assets	41.2%	40.6%
Equity attributable to owners of the parent per share	¥ 2,155.29	¥ 1,851.75

(3) Cash flows

(Unit: millions of yen)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Net cash provided by (used in) operating activities	¥ 282,084	(¥ 17,273)
Net cash used in investing activities	(¥ 208,879)	(¥ 173,441)
Net cash (used in) provided by financing activities	(¥ 26,276)	¥ 178,404
Cash and cash equivalents, at the end of the year	¥ 295,130	¥ 222,118

Notes:

1. Change (%) represents the percentage change from the prior year.
2. Amounts less than one million yen are rounded.

2. Cash dividends

(Unit: millions of yen, except per share amounts)

	Cash dividends per share					Annual cash dividends	Payout ratio	Ratio of dividends to equity attributable to owners of the parent
	First quarter period	Second quarter period	Third quarter period	Year-end	Total			
Year ending Dec. 31 2025 (forecast)	—	¥ 25.00	—	¥ 25.00	¥ 50.00		29.3%	
Year ended Dec. 31, 2024	—	¥ 25.00	—	¥ 25.00	¥ 50.00	¥ 58,188	25.3%	2.5%
Year ended Dec. 31, 2023	—	¥ 24.00	—	¥ 24.00	¥ 48.00	¥ 56,585	23.8%	2.8%

3. Forecasts of operations for the year ending December 31, 2025

(Unit: millions of yen, except per share amounts)

	Six months ending June 30, 2025	Change (%)	Year ending Dec. 31, 2025	Change (%)
Revenue	¥ 1,520,000	(3.8)	¥ 3,050,000	1.1
Operating profit	¥ 140,000	(32.5)	¥ 280,000	(11.3)
Profit before income taxes	¥ 149,000	(31.2)	¥ 297,000	(11.4)
Profit attributable to owners of the parent	¥ 98,000	(35.0)	¥ 196,000	(14.9)
Earnings per share attributable to owners of the parent - basic	¥ 85.26		¥ 170.52	

Notes:

1. Change (%) represents the percentage change from the prior year.
2. Please refer to the accompanying materials, "1. Review of operations and financial results (1) Review of operations
b) Forecasts for the year ending December 31, 2025" on page 6 for further information related to the forecasts of operations.

4. Other information

- (1) Changes in significant subsidiaries during the year ended December 31, 2024 (changes in specified subsidiaries resulting in the changes in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
 - a) Changes in accounting policies required by International Financial Reporting Standards (hereinafter "IFRS"): None
 - b) Changes in accounting policies due to reasons other than a) above: None
 - c) Changes in accounting estimates: None
- (3) Number of common shares issued

a) Number of common shares issued including treasury shares as of December 31, 2024	:	1,150,896,846
Number of common shares issued including treasury shares as of December 31, 2023	:	1,176,666,846
b) Number of treasury shares as of December 31, 2024	:	1,486,694
Number of treasury shares as of December 31, 2023	:	1,685,151
c) Weighted-average number of common shares outstanding during the year ended December 31, 2024	:	1,166,128,905
Weighted-average number of common shares outstanding during the year ended December 31, 2023	:	1,181,975,005

(Reference) Non consolidated financial highlights

(1) Results of operations

(Unit: millions of yen, except per common share amounts)

	Year ended Dec. 31, 2024	Change (%)	Year ended Dec. 31, 2023	Change (%)
Net sales	¥ 1,189,605	(2.8)	¥ 1,223,415	5.5
Operating income	¥ 45,500	(37.7)	¥ 73,051	54.0
Ordinary income	¥ 176,659	61.7	¥ 109,238	20.5
Net income	¥ 177,968	43.8	¥ 123,773	67.8
Net income per common share				
Basic	¥ 152.57		¥ 104.68	
Diluted	—		—	

(2) Financial position

(Unit: millions of yen, except per common share amounts)

	Dec. 31, 2024	Dec. 31, 2023
Total assets	¥ 1,793,705	¥ 1,711,527
Net assets	¥ 749,260	¥ 679,596
Ratio of equity to total assets	41.8%	39.7%
Net assets per common share	¥ 651.67	¥ 578.22

Note:

All amounts are rounded off to the nearest million yen.

Information on the status of the audit by the independent auditor

This release is not subject to the audit by the independent auditor.

Method of obtaining supplementary materials on the financial results

Kubota Corporation plans to hold a result briefing for institutional investors and securities analysts on February 14, 2025. The supplementary material will be posted on its website on the same day.

< Cautionary statements with respect to forward-looking statements >

This document may contain forward-looking statements that are based on management's expectations, estimates, projections, and assumptions. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results may differ materially from what is forecast in forward-looking statements due to a variety of factors, including, without limitation: general economic conditions in the Company's markets, particularly government agricultural policies, levels of capital expenditures both in public and private sectors, foreign currency exchange rates, occurrence of natural disasters, continued competitive pricing pressures in the marketplace, as well as the Company's ability to continue to gain acceptance of its products.

Index to Accompanying Materials

1.	Review of operations and financial results	5
	(1) Review of operations	5
	(2) Financial position	6
2.	Basic rationale for selection of accounting standards	7
3.	Consolidated financial statements for the year ended December 31, 2024	8
	(1) Consolidated statement of financial position	8
	(2) Consolidated statement of profit or loss	10
	(3) Consolidated statement of comprehensive income	11
	(4) Consolidated statement of changes in equity	12
	(5) Consolidated statement of cash flows	13
	(6) Notes to the going concern assumption	14
	(7) Notes to consolidated financial statements	14
	(8) Consolidated segment information	15
	(9) Per common share information	17
	(10) Subsequent events	17
	(11) Consolidated revenue by product group	18
4.	Results of operations for the three months ended December 31, 2024	19
	(1) Condensed consolidated statement of profit or loss	19
	(2) Consolidated segment information	20
	(3) Consolidated revenue by product group	21

1. Review of operations and financial results

(1) Review of operations

a) Summary of the results of operations for the year ended December 31, 2024

For the year ended December 31, 2024, revenue of Kubota Corporation and its subsidiaries (hereinafter, the “Company”) decreased by ¥4.4 billion (0.1%) from the prior year to ¥3,016.3 billion.

Domestic revenue decreased by ¥10.7 billion (1.7%) from the prior year to ¥632.5 billion because of decreased revenue from Farm & Industrial Machinery, Water & Environment and Other.

Overseas revenue increased by ¥6.2 billion (0.3%) from the prior year to ¥2,383.8 billion because of increased revenue from Farm & Industrial Machinery and Water & Environment. As a result, overseas revenue accounted for 79.0% of consolidated revenue, which increased by 0.3 percentage points from the prior year.

Operating profit decreased by ¥13.2 billion (4.0%) from the prior year to ¥315.6 billion mainly due to decreased sales in mostly Europe and North America of Farm & Industrial Machinery and increased cost in sales incentive although there were some positive factors such as favorable effects from price increase and exchange rate fluctuation. Profit before income taxes decreased by ¥7.0 billion (2.0%) from the prior year to ¥335.3 billion. Profit for the year decreased by ¥0.3 billion (0.1%) to ¥259.7 billion, reflecting income tax expenses of ¥80.7 billion and share of profits of investments accounted for using the equity method of ¥5.1 billion. Profit attributable to owners of the parent decreased by ¥8.0 billion (3.4%) from the prior year to ¥230.4 billion.

Revenue from external customers and operating profit by each reportable segment were as follows:

1) Farm & Industrial Machinery

Farm & Industrial Machinery is composed of farm equipment, agricultural-related products, engines, and construction machinery.

Revenue in this segment was ¥2,636.9 billion, same level as the prior year, which accounted for 87.4% of consolidated revenue.

Domestic revenue decreased by 1.2% from the prior year to ¥311.9 billion mainly due to decreased sales of farm equipment and construction machinery.

Overseas revenue increased by 0.2% from the prior year to ¥2,325.0 billion with positive effect from fluctuation of foreign exchange rates. In North America, although the sales of CE increased with steady demand for infrastructure development by the government, the Company struggled with tractor business due to stagnation in the residential market and crop prices decline. In Europe, sales of CE and engines decreased as the market had continued to decline due to economic stagnation. Tractor business was also sluggish due to weak demand. In Thailand, although the effect of the flood has remained partially, sales of farm equipment recovered mainly in the product for rice market and sales of CE also increased. In India, although the market had shrunk in the 1st half of the current consolidated fiscal year due to the drought and the effect of the general election, the market turned toward recovery in the 2nd half of the current consolidated fiscal year thanks to sufficient rainfall and harvest.

Operating profit in this segment decreased by 2.4% from the prior year to ¥347.4 billion mainly due to the loss caused by sales decrease mainly in Europe and North America and increased cost in sales incentive although there were some positive factors, such as favorable effects from price increase and fluctuation of foreign exchange rates.

2) Water & Environment

Water & Environment is composed of pipe system business (ductile iron pipes, plastic pipes, and other products), industrial products business (reformer and cracking tubes, spiral-welded steel pipes, air-conditioning equipment, and

other products), and environment business (environmental control plants, pumps, and other products).

Revenue in this segment decreased by 0.5% from the prior year to ¥362.6 billion, which accounted for 12.0% of consolidated revenue.

Domestic revenue decreased by 1.3% from the prior year to ¥303.8 billion due to decreased sales mainly in pipe system business although sales of industrial products business increased.

Overseas revenue increased by 3.9% from the prior year to ¥58.8 billion due to increased sales in environment business mainly.

Operating profit in this segment decreased by 2.9% from the prior year to ¥29.7 billion mainly due to an increase in expenses although there were some positive factors, such as favorable effects from price increase and material price decline.

3) Other

Other is mainly composed of a variety of other services.

Revenue in this segment decreased by 14.0% from the prior year to ¥16.8 billion and accounted for 0.6% of consolidated revenue.

Operating profit in this segment decreased by 36.1% from the prior year to ¥1.0 billion.

b) Forecasts for the year ending December 31, 2025

Consolidated revenue for the year ending December 31, 2025, is forecasted to increase by ¥33.7 billion from the prior year to ¥3,050.0 billion. Revenue in Farm & Industrial Machinery segment is expected to increase thanks to steady CE sales in North America and sales recovery in Asia, mainly in Thailand and India although European market is expected to be stagnant. Revenue in Water & Environment segment is also expected to increase mainly due to a revenue increase in pipe system business.

Operating profit is forecasted to be ¥280.0 billion mainly due to loss caused by fluctuation of foreign exchange rates and an increase in expenses stemming from inflation while some positive factors, such as favorable effects from price increase and sales increase mainly in CE business in North America and Asia are expected to be.

Profit before income taxes is forecasted to be ¥297.0 billion. Profit attributable to owners of the parent is forecasted to be ¥196.0 billion.

(These forecasts are based on the assumption of exchange rates of ¥145=US\$1 and ¥152=€1.)

(2) Financial position

a) Assets, liabilities, and equity

Total assets as of December 31, 2024, were ¥6,018.7 billion, an increase of ¥659.4 billion from the prior fiscal year-end. With respect to assets, finance receivables increased mainly in North America business and property, plant, and equipment also increased due to capital expenditure for enhancement of the production system and disaster management.

Total liabilities also increased from the prior fiscal year-end due to an increase in bonds and borrowings as a result of bond issue in North America business mainly. Equity increased mostly due to an improvement in other components of equity along with fluctuations mainly in foreign exchange rates and the accumulation of retained earnings.

The ratio of equity attributable to owners of the parent to total assets stood at 41.2%, 0.6 percentage points higher than the prior fiscal year-end.

b) Cash flows

Net cash provided by operating activities during the year ended December 31, 2024, was ¥282.1 billion, an increase of ¥299.4 billion in net cash inflow compared with the prior year. This increase resulted from improvement of working capital mainly.

Net cash used in investing activities was ¥208.9 billion, an increase of ¥35.4 billion in net cash outflow compared with the prior year. This increase resulted mainly from the expenditure for the acquisition of tangible assets due to capital expenditure and acquisition of intangible assets.

Net cash used by financing activities was ¥26.3 billion, a decrease of ¥204.7 billion in net cash inflow compared with the prior year mostly due to a decrease in funding.

As a result of the above and after taking into account the effects of exchange rate changes, cash and cash equivalents as of December 31, 2024, were ¥295.1 billion, an increase of ¥73.0 billion from the beginning of the fiscal year.

(Reference) Cash flow indices

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Ratio of equity attributable to owners of the parent to total assets (%)	41.2	40.6
Equity ratio based on market capitalization (%)	35.1	46.5
Interest-bearing liabilities / Net cash provided by operating activities (year)	8.1	-
Interest coverage ratio (times)	3.7	-

Note:

- Ratio of equity attributable to owners of the parent to total assets: equity attributable to owners of the parent / total assets
- Equity ratio based on market capitalization: market capitalization / total assets
- Interest coverage ratio: net cash provided by operating activities / interest paid

Each ratio is calculated based on figures in the consolidated financial statements. Market capitalization is calculated based on closing price at the end of the fiscal year multiplied by the number of shares outstanding at the end of the fiscal year, excluding treasury shares. Net cash provided by operating activities is the amount in the consolidated statements of cash flows. Interest-bearing liabilities are bonds and borrowings in the consolidated statement of financial position. Additionally, interest paid is the total amount of interest paid in the consolidated statements of cash flows and interest paid resulting from interest-bearing liabilities related to sales financing operations. Among these cash flow indices, 'Interest-bearing liabilities / Net cash provided by operating activities' and 'Interest coverage ratio' were not presented for the prior year because figure of net cash provided by operating activities was negative.

2. Basic rationale for selection of accounting standards

Kubota Corporation has voluntarily adopted IFRS from the 1st quarter of the fiscal year ended December 31, 2018.

< Cautionary Statements with Respect to Forward-Looking Statements >

This document may contain forward-looking statements that are based on management's expectations, estimates, projections and assumptions. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results may differ materially from what is forecast in forward-looking statements due to a variety of factors, including, without limitation: general economic conditions in the Company's markets, particularly government agricultural policies, levels of capital expenditures both in public and private sectors, foreign currency exchange rates, the occurrence of natural disasters, continued competitive pricing pressures in the marketplace, as well as the Company's ability to continue to gain acceptance of its products.

3. Consolidated financial statements

(1) Consolidated statement of financial position

ASSETS						(Unit: millions of yen)
	Dec. 31, 2024		Dec. 31, 2023		Change	
	Amount	%	Amount	%	Amount	
Current assets:						
Cash and cash equivalents	¥ 295,130		¥ 222,118		¥ 73,012	
Trade receivables	985,228		945,490		39,738	
Finance receivables	643,757		552,419		91,338	
Other financial assets	103,791		83,018		20,773	
Contract assets	49,567		47,669		1,898	
Inventories	692,276		668,048		24,228	
Income taxes receivable	10,741		5,763		4,978	
Other current assets	63,544		55,846		7,698	
Assets held for sale	23,424		—		23,424	
Total current assets	2,867,458	47.6	2,580,371	48.1	287,087	
Noncurrent assets:						
Investments accounted for using the equity method	51,664		46,523		5,141	
Finance receivables	1,548,746		1,349,047		199,699	
Other financial assets	194,210		188,654		5,556	
Property, plant, and equipment	861,840		727,061		134,779	
Goodwill	143,325		145,715		(2,390)	
Intangible assets	203,863		187,000		16,863	
Deferred tax assets	105,460		96,091		9,369	
Other noncurrent assets	42,099		38,785		3,314	
Total noncurrent assets	3,151,207	52.4	2,778,876	51.9	372,331	
Total assets	¥ 6,018,665	100.0	¥ 5,359,247	100.0	¥ 659,418	

LIABILITIES AND EQUITY

(Unit: millions of yen)

	Dec. 31, 2024		Dec. 31, 2023		Change
	Amount	%	Amount	%	Amount
Current liabilities:					
Bonds and borrowings	¥ 903,143		¥ 663,294		¥ 239,849
Trade payables	274,743		300,902		(26,159)
Other financial liabilities	105,653		93,270		12,383
Insurance contract liabilities	59,970		51,333		8,637
Income taxes payable	24,774		29,706		(4,932)
Provisions	83,062		77,191		5,871
Contract liabilities	39,084		33,043		6,041
Other current liabilities	282,910		244,323		38,587
Liabilities directly associated with assets held for sale	2,019		—		2,019
Total current liabilities	1,775,358	29.5	1,493,062	27.9	282,296
Noncurrent liabilities:					
Bonds and borrowings	1,374,934		1,326,913		48,021
Other financial liabilities	49,301		44,701		4,600
Retirement benefit liabilities	17,207		15,907		1,300
Deferred tax liabilities	54,262		55,653		(1,391)
Other noncurrent liabilities	7,837		6,944		893
Total noncurrent liabilities	1,503,541	25.0	1,450,118	27.0	53,423
Total liabilities	3,278,899	54.5	2,943,180	54.9	335,719
Equity:					
Share capital	84,130		84,130		—
Share premium	96,646		97,377		(731)
Retained earnings	1,832,348		1,693,681		138,667
Other components of equity	466,937		303,794		163,143
Treasury shares	(2,747)		(3,209)		462
Total equity attributable to owners of the parent	2,477,314	41.2	2,175,773	40.6	301,541
Noncontrolling interests	262,452	4.3	240,294	4.5	22,158
Total equity	2,739,766	45.5	2,416,067	45.1	323,699
Total liabilities and equity	¥ 6,018,665	100.0	¥ 5,359,247	100.0	¥ 659,418

(2) Consolidated statement of profit or loss

(Unit: millions of yen, except earnings per share)

	Year ended Dec. 31, 2024		Year ended Dec. 31, 2023		Change	
	Amount	%	Amount	%	Amount	%
Revenue	¥ 3,016,281	100.0	¥ 3,020,711	100.0	¥ (4,430)	(0.1)
Cost of sales	(2,088,301)		(2,144,242)		55,941	
Selling, general, and administrative expenses	(597,007)		(538,621)		(58,386)	
Other income	23,471		22,174		1,297	
Other expenses	(38,808)		(31,193)		(7,615)	
Operating profit	315,636	10.5	328,829	10.9	(13,193)	(4.0)
Finance income	26,305		18,713		7,592	
Finance costs	(6,644)		(5,253)		(1,391)	
Profit before income taxes	335,297	11.1	342,289	11.3	(6,992)	(2.0)
Income tax expenses	(80,732)		(84,402)		3,670	
Share of profits of investments accounted for using the equity method	5,099		2,111		2,988	
Profit for the year	¥ 259,664	8.6	¥ 259,998	8.6	¥ (334)	(0.1)

Profit attributable to:						
Owners of the parent	¥ 230,437	7.6	¥ 238,455	7.9	¥ (8,018)	(3.4)
Noncontrolling interests	29,227	1.0	21,543	0.7	7,684	35.7

Earnings per share attributable to owners of the parent:			
Basic	¥ 197.61	¥ 201.74	
Diluted	—	—	

(3) Consolidated statement of comprehensive income

(Unit: millions of yen)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023	Change
Profit for the year	¥ 259,664	¥ 259,998	¥ (334)
Other comprehensive income, net of income tax:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit pension plans	2,381	4,244	(1,863)
Net change in fair value of financial assets measured at fair value through other comprehensive income	12,853	15,925	(3,072)
Items that may be reclassified subsequently to profit or loss:			
Exchange rate differences on translating foreign operations	185,934	126,890	59,044
Total other comprehensive income, net of income tax	201,168	147,059	54,109
Comprehensive income for the year	¥ 460,832	¥ 407,057	¥ 53,775

Comprehensive income attributable to:			
Owners of the parent	¥ 409,490	¥ 367,470	¥ 42,020
Noncontrolling interests	51,342	39,587	11,755

(4) Consolidated statement of changes in equity

(Unit: millions of yen)

	Equity attributable to owners of the parent					Total equity attributable to owners of the parent	Noncontrolling interests	Total equity
	Share capital	Share premium	Retained earnings	Other components of equity	Treasury shares			
Balance as of Jan. 1, 2023	¥ 84,130	¥ 79,247	¥ 1,529,248	¥ 185,422	¥ (3,557)	¥ 1,874,490	¥ 227,998	¥ 2,102,488
Profit for the year			238,455			238,455	21,543	259,998
Total other comprehensive income, net of income tax				129,015		129,015	18,044	147,059
Comprehensive income for the year			238,455	129,015		367,470	39,587	407,057
Transfer to retained earnings			10,429	(10,429)		—		—
Dividends paid			(54,483)			(54,483)	(9,610)	(64,093)
Purchases and sales of treasury shares					(29,620)	(29,620)		(29,620)
Retirement of treasury shares			(29,968)		29,968	—		—
Share-based payment transactions		96				96		96
Changes in ownership interests in subsidiaries		18,034		(214)		17,820	(17,681)	139
Balance as of Dec. 31, 2023	¥ 84,130	¥ 97,377	¥ 1,693,681	¥ 303,794	¥ (3,209)	¥ 2,175,773	¥ 240,294	¥ 2,416,067
Profit for the year			230,437			230,437	29,227	259,664
Total other comprehensive income, net of income tax				179,053		179,053	22,115	201,168
Comprehensive income for the year			230,437	179,053		409,490	51,342	460,832
Transfer to retained earnings			15,829	(15,829)		—		—
Dividends paid			(57,595)			(57,595)	(30,492)	(88,087)
Purchases and sales of treasury shares					(49,542)	(49,542)		(49,542)
Retirement of treasury shares			(50,004)		50,004	—		—
Share-based payment transactions		217				217		217
Changes in ownership interests in subsidiaries		(948)		(81)		(1,029)	1,308	279
Balance as of Dec. 31, 2024	¥ 84,130	¥ 96,646	¥ 1,832,348	¥ 466,937	¥ (2,747)	¥ 2,477,314	¥ 262,452	¥ 2,739,766

(5) Consolidated statement of cash flows

(Unit: millions of yen)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023	Change
Cash flows from operating activities:			
Profit for the year	¥ 259,664	¥ 259,998	
Depreciation and amortization	120,461	107,270	
Loss from disposal of property, plant, and equipment and intangible assets, net	4,259	3,141	
Finance income and costs	(17,657)	(11,068)	
Income tax expenses	80,732	84,402	
Share of profits of investments accounted for using the equity method	(5,099)	(2,111)	
Decrease (increase) in trade receivables	6,524	(135,656)	
Increase in finance receivables	(92,909)	(92,461)	
Decrease in inventories	22,115	21,952	
Increase in other assets	(7,533)	(20,608)	
Decrease in trade payables	(38,923)	(168,591)	
Increase in other liabilities	39,232	35,320	
Net changes in retirement benefit assets and liabilities	1,144	(6,855)	
Other, net	(684)	(171)	
Interest received	20,807	13,231	
Dividends received	3,072	2,549	
Interest paid	(5,747)	(4,218)	
Income taxes paid, net	(107,374)	(103,397)	
Net cash provided by (used in) operating activities	282,084	(17,273)	¥ 299,357
Cash flows from investing activities:			
Payments for acquisition of property, plant, and equipment	(181,171)	(149,882)	
Payments for acquisition of intangible assets	(32,826)	(22,598)	
Proceeds from sales of property, plant, and equipment	6,600	5,417	
Payments for acquisition of securities	(14,906)	(6,816)	
Proceeds from sales and redemptions of securities	33,355	11,637	
Payments for acquisition of subsidiaries	(2,097)	(1,626)	
Payments for acquisition of investments accounted for using the equity method	(34)	(339)	
Payments for loans receivable to associates	(27,900)	(20,650)	
Collection of loans receivable from associates	28,600	20,050	
Payments for time deposits	(63,212)	(18,486)	
Proceeds from withdrawal of time deposits	49,327	12,851	
Net decrease in restricted cash	39	200	
Payments for acquisition of short-term investments	(2,731)	(10,371)	
Proceeds from sales and redemptions of short-term investments	—	8,293	
Other, net	(1,923)	(1,121)	
Net cash used in investing activities	(208,879)	(173,441)	(35,438)
Cash flows from financing activities:			
Funding from bonds and long-term borrowings	665,109	777,403	
Redemptions of bonds and repayments of long-term borrowings	(524,084)	(449,942)	
Net decrease in short-term borrowings	(5,496)	(36,813)	
Repayments of lease liabilities	(22,112)	(17,379)	
Net (decrease) increase in deposits from Group financing (within three months)	(4,286)	989	
Deposits from Group financing received (over three months)	21,415	18,981	
Repayments of deposits from Group financing (over three months)	(18,834)	(18,202)	
Dividends paid	(57,595)	(54,483)	
Dividends paid to noncontrolling interests	(30,492)	(9,610)	
Purchases of treasury shares	(50,004)	(30,003)	
Other, net	103	(2,537)	
Net cash (used in) provided by financing activities	(26,276)	178,404	(204,680)
Effect of exchange rate changes on cash and cash equivalents	26,083	8,629	17,454
Net increase (decrease) in cash and cash equivalents	73,012	(3,681)	
Cash and cash equivalents, at the beginning of the year	222,118	225,799	
Cash and cash equivalents, at the end of the year	¥ 295,130	¥ 222,118	¥ 73,012

(6) Notes to the going concern assumption

None

(7) Notes to consolidated financial statements

a) Accounting policies applied for consolidated financial statements

The accompanying consolidated financial statements have been prepared in accordance with IFRS Accounting Standards.

b) Entities under consolidation and entities under the equity method

195 entities are consolidated.

Major entities:	Domestic	Kubota Credit Co., Ltd. Kubota ChemiX Co., Ltd.
	Overseas	Kubota North America Corporation Kubota Tractor Corporation Kubota Credit Corporation, U.S.A. Kubota Manufacturing of America Corporation Kubota Engine America Corporation Great Plains Manufacturing, Inc. Kubota Canada Ltd. Kubota Holdings Europe B.V. Kubota Europe S.A.S. Kubota Baumaschinen GmbH Kverneland AS Kubota China Holdings Co., Ltd. Kubota Agricultural Machinery (Suzhou) Co., Ltd. Kubota China Financial Leasing Ltd. SIAM KUBOTA Corporation Co., Ltd. Siam Kubota Leasing Co., Ltd. Kubota Engine (Thailand) Co., Ltd. Escorts Kubota Ltd. Kubota Australia Pty Ltd.

18 entities are accounted for using the equity method.

Major entity:	Domestic	KMEW Co., Ltd.
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(8) Consolidated segment information

a) Reportable segments

Information by reportable segment is summarized as follows:

(Unit: millions of yen)

Year ended December 31, 2024		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 2,636,874	¥ 362,631	¥ 16,776	¥ —	¥ 3,016,281
	Intersegment	247	19	29,421	(29,687)	—
	Total	2,637,121	362,650	46,197	(29,687)	3,016,281
Operating profit		¥ 347,390	¥ 29,665	¥ 966	¥ (62,385)	¥ 315,636
Depreciation and amortization		¥ 89,327	¥ 9,233	¥ 7,670	¥ 14,231	¥ 120,461
Addition to noncurrent assets		197,127	18,007	10,332	23,912	249,378
December 31, 2024						
Assets		¥ 5,243,464	¥ 340,851	¥ 93,176	¥ 341,174	¥ 6,018,665
Investments accounted for using the equity method		14,807	5,929	30,928	—	51,664

(Unit: millions of yen)

Year ended December 31, 2023		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 2,636,727	¥ 364,469	¥ 19,515	¥ —	¥ 3,020,711
	Intersegment	205	48	31,044	(31,297)	—
	Total	2,636,932	364,517	50,559	(31,297)	3,020,711
Operating profit		¥ 355,788	¥ 30,547	¥ 1,512	¥ (59,018)	¥ 328,829
Depreciation and amortization		¥ 80,530	¥ 8,112	¥ 6,208	¥ 12,420	¥ 107,270
Addition to noncurrent assets		139,948	13,581	10,733	18,416	182,678
December 31, 2023						
Assets		¥ 4,669,912	¥ 318,553	¥ 83,745	¥ 287,037	¥ 5,359,247
Investments accounted for using the equity method		14,361	5,568	26,594	—	46,523

Notes:

- Adjustments* include the items, such as the elimination of intersegment transfers, corporate expenses, and corporate assets which are not allocated to any particular reportable segment. The corporate expenses included in *Adjustments* consist mainly of expenses of the administration department, basic research expenses, and foreign exchange gains or losses incurred in Kubota Corporation. The corporate assets included in *Adjustments* consist mainly of cash and cash equivalents, securities, and corporate properties held or used by the administration department of Kubota Corporation.
- The aggregated amounts of operating profit are equal to those presented in the consolidated statement of profit or loss. Please refer to the consolidated statement of profit or loss for the reconciliation of operating profit to profit before income taxes.
- Intersegment transfers are recorded at values that approximate market prices.
- Noncurrent assets do not include financial instruments, deferred tax assets, nor net defined benefit assets.

b) Revenue from external customers by product group

Information about revenue from external customers by product group is summarized as follows:

(Unit: millions of yen)

		Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
	Farm Equipment and Engines	¥ 1,989,268	¥ 1,995,603
	Construction Machinery	647,606	641,124
Farm & Industrial Machinery		2,636,874	2,636,727
	Pipe system	137,575	145,756
	Industrial products	77,806	73,129
	Environment	147,250	145,584
Water & Environment		362,631	364,469
Other		16,776	19,515
Total		¥ 3,016,281	¥ 3,020,711

c) Geographic information

Information about revenue from external customers by location is summarized as follows:

(Unit: millions of yen)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Japan	¥ 632,476	¥ 643,144
North America	1,272,503	1,252,213
Europe	334,079	418,302
Asia outside Japan	680,514	600,598
Other areas	96,709	106,454
Total	¥ 3,016,281	¥ 3,020,711

Notes:

1. Revenue from North America includes that from the United States of ¥1,158,909 million and ¥1,115,337 million for the years ended December 31, 2024 and 2023, respectively.
2. There was no single customer from whom revenue exceeded 10% of total consolidated revenue of the Company.

Information about noncurrent assets based on physical location is summarized as follows:

(Unit: millions of yen)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Japan	¥ 566,072	¥ 499,525
North America	237,557	177,116
Europe	99,512	93,094
Asia outside Japan	324,948	308,815
Other areas	4,608	3,018
Total	¥ 1,232,697	¥ 1,081,568

Notes:

1. Noncurrent assets do not include financial instruments, deferred tax assets, nor net defined benefit assets.
2. Noncurrent assets of North America includes those in the United States of ¥224,037 million and ¥165,004 million at December 31, 2024 and 2023, respectively. In addition, noncurrent assets of Asia outside Japan includes those in India of ¥232,714 million and ¥235,445 million at December 31, 2024 and 2023, respectively.

(9) Per common share information

(Unit: yen)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Equity attributable to owners of the parent per share	¥ 2,155.29	¥ 1,851.75
Earnings per share attributable to owners of the parent - basic	197.61	201.74
Earnings per share attributable to owners of the parent - diluted	—	—

The Company adopted a restricted stock compensation plan (hereinafter, the “Plan”) for the Company’s Directors and Executive Officers. Among the new shares issued under the Plan, contingently returnable shares are distinguished as participating equity instruments and classified as common shares. Each common share and participating equity instrument have the same right to profit attributable to owners of the parent.

Shares of Kubota Corporation held by the trust in connection with the stock compensation plan are deducted from the weighted-average number of common shares outstanding as treasury shares.

The numerator and denominator used to calculate earnings per share attributable to owners of the parent are presented in the following table.

(Unit: millions of yen)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Profit attributable to owners of the parent	¥ 230,437	¥ 238,455
Profit attributable to participating equity instruments	—	—
Profit attributable to common shareholders	¥ 230,437	¥ 238,455

(Unit: thousands of shares)

	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Weighted-average number of common shares outstanding	1,166,129	1,181,975
Weighted-average number of participating equity instruments	—	—
Weighted-average number of common shares	1,166,129	1,181,975

Earnings per share attributable to owners of the parent—Diluted for the years ended December 31, 2024 and 2023, are not stated since Kubota Corporation did not have potentially dilutive common shares that were outstanding.

(10) Subsequent events

None

(11) Consolidated revenue by product group

(Unit: millions of yen)

	Year ended Dec. 31, 2024		Year ended Dec. 31, 2023		Change	
	Amount	%	Amount	%	Amount	%
Farm Equipment and Engines	¥ 1,989,268	65.9	¥ 1,995,603	66.1	¥ (6,335)	(0.3)
Domestic	272,509		271,229		1,280	0.5
Overseas	1,716,759		1,724,374		(7,615)	(0.4)
Construction Machinery	647,606	21.5	641,124	21.2	6,482	1.0
Domestic	39,358		44,544		(5,186)	(11.6)
Overseas	608,248		596,580		11,668	2.0
Farm & Industrial Machinery	2,636,874	87.4	2,636,727	87.3	147	0.0
Domestic	311,867	10.3	315,773	10.5	(3,906)	(1.2)
Overseas	2,325,007	77.1	2,320,954	76.8	4,053	0.2
Pipe system	137,575	4.6	145,756	4.9	(8,181)	(5.6)
Domestic	133,258		141,688		(8,430)	(5.9)
Overseas	4,317		4,068		249	6.1
Industrial products	77,806	2.5	73,129	2.4	4,677	6.4
Domestic	45,205		40,186		5,019	12.5
Overseas	32,601		32,943		(342)	(1.0)
Environment	147,250	4.9	145,584	4.8	1,666	1.1
Domestic	125,372		126,012		(640)	(0.5)
Overseas	21,878		19,572		2,306	11.8
Water & Environment	362,631	12.0	364,469	12.1	(1,838)	(0.5)
Domestic	303,835	10.1	307,886	10.2	(4,051)	(1.3)
Overseas	58,796	1.9	56,583	1.9	2,213	3.9
Other	16,776	0.6	19,515	0.6	(2,739)	(14.0)
Domestic	16,774	0.6	19,485	0.6	(2,711)	(13.9)
Overseas	2	0.0	30	0.0	(28)	(93.3)
Total	¥ 3,016,281	100.0	¥ 3,020,711	100.0	¥ (4,430)	(0.1)
Domestic	632,476	21.0	643,144	21.3	(10,668)	(1.7)
Overseas	2,383,805	79.0	2,377,567	78.7	6,238	0.3

4. Results of operations for the three months ended December 31, 2024

(1) Condensed consolidated statement of profit or loss

(Unit: millions of yen, except earnings per share)

	Three months ended Dec. 31, 2024		Three months ended Dec. 31, 2023		Change	
	Amount	%	Amount	%	Amount	%
Revenue	¥ 738,356	100.0	¥ 762,480	100.0	¥ (24,124)	(3.2)
Cost of sales	(528,169)		(535,879)		7,710	
Selling, general, and administrative expenses	(172,172)		(141,241)		(30,931)	
Other income	8,017		8,398		(381)	
Other expenses	(5,776)		(23,786)		18,010	
Operating profit	40,256	5.5	69,972	9.2	(29,716)	(42.5)
Finance income	9,133		5,784		3,349	
Finance costs	(2,076)		(1,839)		(237)	
Profit before income taxes	47,313	6.4	73,917	9.7	(26,604)	(36.0)
Income tax expenses	(9,343)		(13,958)		4,615	
Share of profits of investments accounted for using the equity method	3,969		543		3,426	
Profit for the period	¥ 41,939	5.7	¥ 60,502	7.9	¥ (18,563)	(30.7)

Profit attributable to:						
Owners of the parent	¥ 32,521	4.4	¥ 56,089	7.4	¥ (23,568)	(42.0)
Noncontrolling interests	9,418	1.3	4,413	0.5	5,005	113.4

Earnings per share attributable to owners of the parent:					
Basic	¥ 28.25		¥ 47.70		
Diluted	—		—		

(2) Consolidated segment information

a) Reportable segments

Information by reportable segment is summarized as follows:

(Unit: millions of yen)

Three months ended Dec. 31, 2024		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 619,803	¥ 114,214	¥ 4,339	¥ —	¥ 738,356
	Intersegment	62	3	7,573	(7,638)	—
	Total	619,865	114,217	11,912	(7,638)	738,356
Operating income (loss)		¥ 41,162	¥ 12,241	¥ (153)	¥ (12,994)	¥ 40,256

(Unit: millions of yen)

Three months ended Dec. 31, 2023		Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenue	External customers	¥ 645,313	¥ 112,920	¥ 4,247	¥ —	¥ 762,480
	Intersegment	64	17	7,562	(7,643)	—
	Total	645,377	112,937	11,809	(7,643)	762,480
Operating profit		¥ 75,823	¥ 14,357	¥ 234	¥ (20,442)	¥ 69,972

Notes:

1. *Adjustments* include the items, such as the elimination of intersegment transfers, corporate expenses, and corporate assets which are not allocated to any particular reportable segment. The corporate expenses included in Adjustments consist mainly of expenses of the administration department, basic research expenses, and foreign exchange gains or losses incurred in Kubota Corporation.
2. The aggregated amounts of operating profit are equal to those presented in the condensed consolidated statement of profit or loss. Please refer to the condensed consolidated statement of profit or loss for the reconciliation of operating profit to profit before income taxes.
3. Intersegment transfers are recorded at values that approximate market prices.

b) Geographic information

Information about revenue from external customers by location is summarized as follows:

(Unit: millions of yen)

	Three months ended Dec. 31, 2024	Three months ended Dec. 31, 2023
Japan	¥ 175,165	¥ 170,612
North America	292,235	313,723
Europe	77,703	99,647
Asia outside Japan	173,760	154,560
Other areas	19,493	23,938
Total	¥ 738,356	¥ 762,480

Notes:

1. Revenue from North America includes that from the United States of ¥267,874 million and ¥313,573 million for the three months ended Dec. 31, 2024 and 2023, respectively.
2. There was no single customer from whom revenue exceeded 10% of total consolidated revenue of the Company.

(3) Consolidated revenue by product group

(Unit: millions of yen)

	Three months ended Dec. 31, 2024		Three months ended Dec. 31, 2023		Change	
	Amount	%	Amount	%	Amount	%
Farm Equipment and Engines	¥ 469,303	63.5	¥ 470,842	61.7	¥ (1,539)	(0.3)
Domestic	65,707		59,287		6,420	10.8
Overseas	403,596		411,555		(7,959)	(1.9)
Construction Machinery	150,500	20.4	174,471	22.9	(23,971)	(13.7)
Domestic	11,741		14,348		(2,607)	(18.2)
Overseas	138,759		160,123		(21,364)	(13.3)
Farm & Industrial Machinery	619,803	83.9	645,313	84.6	(25,510)	(4.0)
Domestic	77,448	10.5	73,635	9.6	3,813	5.2
Overseas	542,355	73.4	571,678	75.0	(29,323)	(5.1)
Pipe system	42,351	5.7	44,361	5.8	(2,010)	(4.5)
Domestic	41,040		43,106		(2,066)	(4.8)
Overseas	1,311		1,255		56	4.5
Industrial products	23,578	3.2	20,889	2.7	2,689	12.9
Domestic	13,074		12,059		1,015	8.4
Overseas	10,504		8,830		1,674	19.0
Environment	48,285	6.6	47,670	6.3	615	1.3
Domestic	39,264		37,565		1,699	4.5
Overseas	9,021		10,105		(1,084)	(10.7)
Water & Environment	114,214	15.5	112,920	14.8	1,294	1.1
Domestic	93,378	12.6	92,730	12.2	648	0.7
Overseas	20,836	2.9	20,190	2.6	646	3.2
Other	4,339	0.6	4,247	0.6	92	2.2
Domestic	4,339	0.6	4,247	0.6	92	2.2
Overseas	—	—	—	—	—	—
Total	¥ 738,356	100.0	¥ 762,480	100.0	¥ (24,124)	(3.2)
Domestic	175,165	23.7	170,612	22.4	4,553	2.7
Overseas	563,191	76.3	591,868	77.6	(28,677)	(4.8)