Kubota

KUBOTA Corporation

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Fun to Share

"Food, water, and the environment" Solve problems in these fields and build a low carbon society.

We have agreed to the Japanese Ministry of the Environment's climate change campaign called "Fun to Share."

ECO FIRST

As a leading company for environmental performance, KUBOTA has made a promise to implement environmental conservation activities to the Japanese Ministry of the Environment.

GPN Green Purchasing Network®

We practice Green Purchasing.

Issued in September 2014

For Earth, For Life

Kubota

KUBOTA REPORT 2014

Business and CSR Activities

KUBOTA Corporation

KUBOTA's Mission

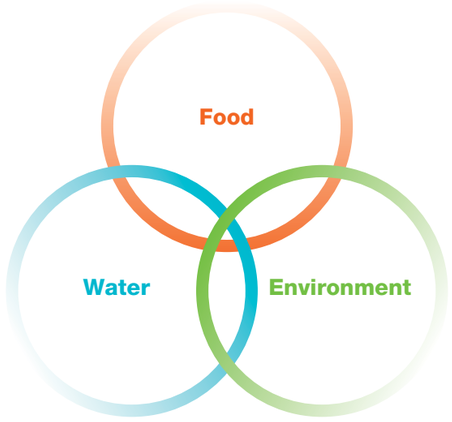
In 1890, Gonshiro Kubota, the founder of KUBOTA started his metal casting business at the age of 19.

Believing that: "If you try hard, you can get it done" and "Do not be afraid of making mistakes," he contributed to society with his business. He became the first producer of iron water pipes in Japan, and later, actualized mechanization of agriculture.

"For the prosperity of society, we need to put all of our efforts into creation."

"Our products should not only be technically excellent, but also useful for the good of society."

The KUBOTA Group inherits the founder's beliefs, grows together with its employees, and continues to be a society-friendly and reliable company, extending its business globally.



Contributing to the abundant and stable production of food by streamlining of agriculture

As the world's population continues to grow, the stable production of food has become an absolute necessity. Drawing on its rice farming machinery and technologies developed in Japan, KUBOTA has contributed to the elimination of rural labor shortages while increasing agricultural output throughout Asia. Moving forward, the Company will enter the large-scale dry-field agricultural machinery market in earnest in order to realize medium- and long-term growth and to further contribute to the stable production of food on a global scale.

Contributing to supply and to restore reliable water by enhancing water infrastructures

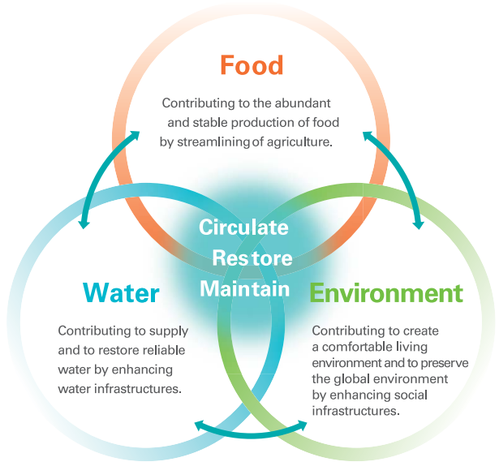
As our founder, Gonshiro Kubota produced cast iron water pipes in Japan for the first time, KUBOTA's water-related operations have a history that spans over 12 decades. As a comprehensive manufacturer of water-related products that extend from the intake of water to its discharge, KUBOTA contributes to the development of infrastructure in Japan. Looking ahead, the Company will contribute to providing solutions in the areas of water and the environment mainly in Asia, a region that is experiencing remarkable growth.

Contributing to create a comfortable living environment and to preserve the global environment by enhancing social infrastructures

Rapid economic development in emerging countries has triggered a host of grave environmental issues. KUBOTA has continued to upgrade and expand its technological capabilities in environment-related fields and to protect the global environment since the mid-1960s when the Company first looked to tackle the growing problem of environmental pollution in Japan. Moreover, KUBOTA has operations in construction machinery, air handling units, and vending machines that contribute to the creation of comfortable urban and living environments.

KUBOTA Corporation: Kubota Global Identity

In October 2012, KUBOTA enacted the Kubota Global Identity as a universal corporate principles in order to promote business activities throughout the group based on the spirit and values passed down since the establishment of the Company. The Kubota Global Identity recognizes that food, water and the environment are a singular theme, and the program's "Mission" section states clearly that the goal of the Company is to contribute to the resolution of problems in these areas on a global scale.



Kubota Global Loop

Spirits

- Work for the development of society by drawing on all of our capabilities and know-how to offer superior products and technologies.
- Build today and open the way to tomorrow, with the aim of bringing prosperity to the Company and happiness to employees.
- Challenge the unknown with creativity and courage.

Brand Statement

For Earth, For Life

Kubota

Mission

Food, water and the environment are indispensable for human beings. The KUBOTA Group continues to support the future of the earth and humanity by contributing products that help the abundant and stable production of food, help supply and restore reliable water, and help create a comfortable living environment through its superior products, technologies and services.

Contents

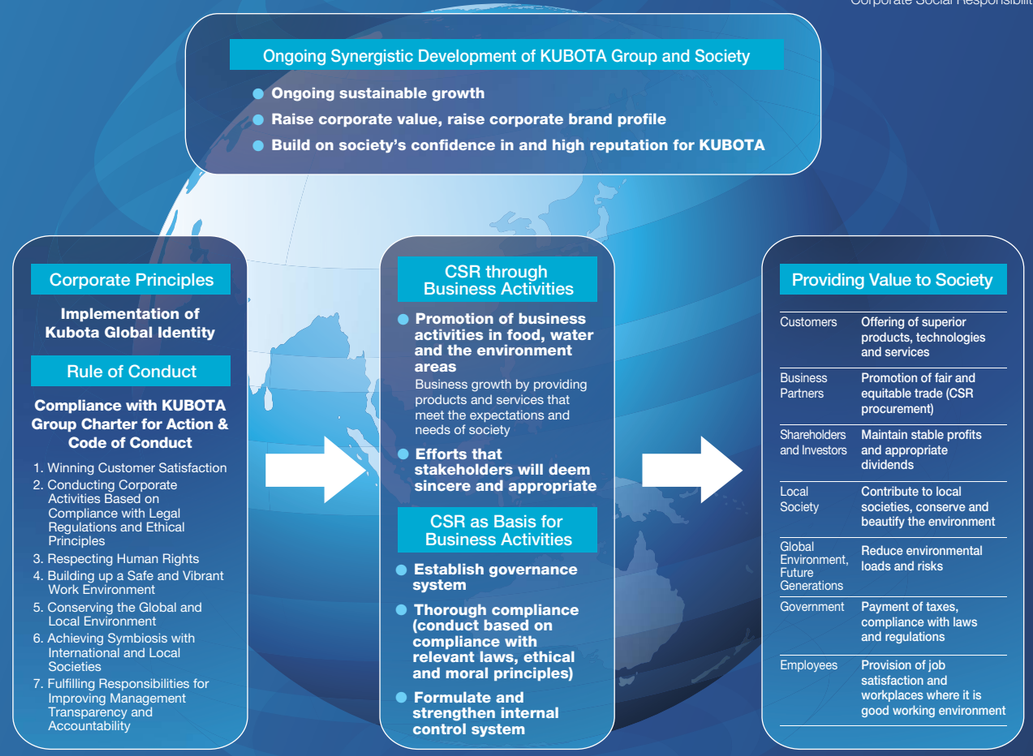
Cautionary Statements with Respect to Forward-Looking Statements

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.

Basic Policy for CSR* Management

All KUBOTA Group employees share the KUBOTA corporate principles of Kubota Global Identity and will contribute to our stakeholders and society by conducting corporate activities in which each individual fulfills his or her role and responsibilities. By doing so, they are aiming for the ongoing synergistic development of the KUBOTA Group and society.

*Corporate Social Responsibility



For more details on the Kubota Global Identity and the KUBOTA Group Charter for Action and Rule of Conduct please visit our website.

WEB http:// www.kubota-global.net/csr/index.html

Editorial note

Focusing on exemplary efforts made by the KUBOTA Group in addressing global issues through its business activities, this report is easy to understand and will keep all stakeholders informed.

■ Relationship with the information provided on our website

The printed version of this report is concise and clear, focusing on the visual presentation of the Company's activities to make it easier to understand KUBOTA.

The online version is formatted to disclose corporate information, which is continuously reported, in fuller detail and provides a more in-depth view of the content covered in the printed version.

Printed version

WEB http://www.kubota-global.net/csr/report/pdf/2014/14alldata.pdf

■ Boundary of the KUBOTA REPORT 2014
The KUBOTA REPORT 2014 covers the entire KUBOTA Group, in principle.

Economic Report:
The Economic Report contains data on the consolidated accounting based on U.S. accounting standards of generally accepted accounting principles in the United States (U.S. GAAP) Fiscal year 2014: 162 consolidated subsidiaries and 18 affiliated companies accounted for under the equity method.

Social Report:
The Social Report covers social activities carried out by KUBOTA Corporation and some of its affiliates.

Environmental Report:
The Environmental Report contains the results of environmental activities carried out by KUBOTA Corporation as well as 162 consolidated subsidiaries (61 domestic and 101 overseas companies).

■ Period covered by this report
The content of this report focuses on activities during fiscal 2014 (April 2013 to March 2014, hereinafter FY2014). The Environmental Report presents domestic data from April 2013 to March 2014 and overseas data from January 2013 to December 2013. Some portions may include information on recent events.

■ Referenced guidelines
Environmental Reporting Guidelines (Fiscal Year 2012 version), Ministry of the Environment (Government of Japan)
Sustainability Reporting Guidelines Version 3.1, GRI

■ Questionnaire concerning KUBOTA REPORT 2014
We would very much appreciate hearing your impressions and opinions and thank you in advance for your cooperation.

WEB http://www.kubota-global.net/csr/report/questionnaire.html

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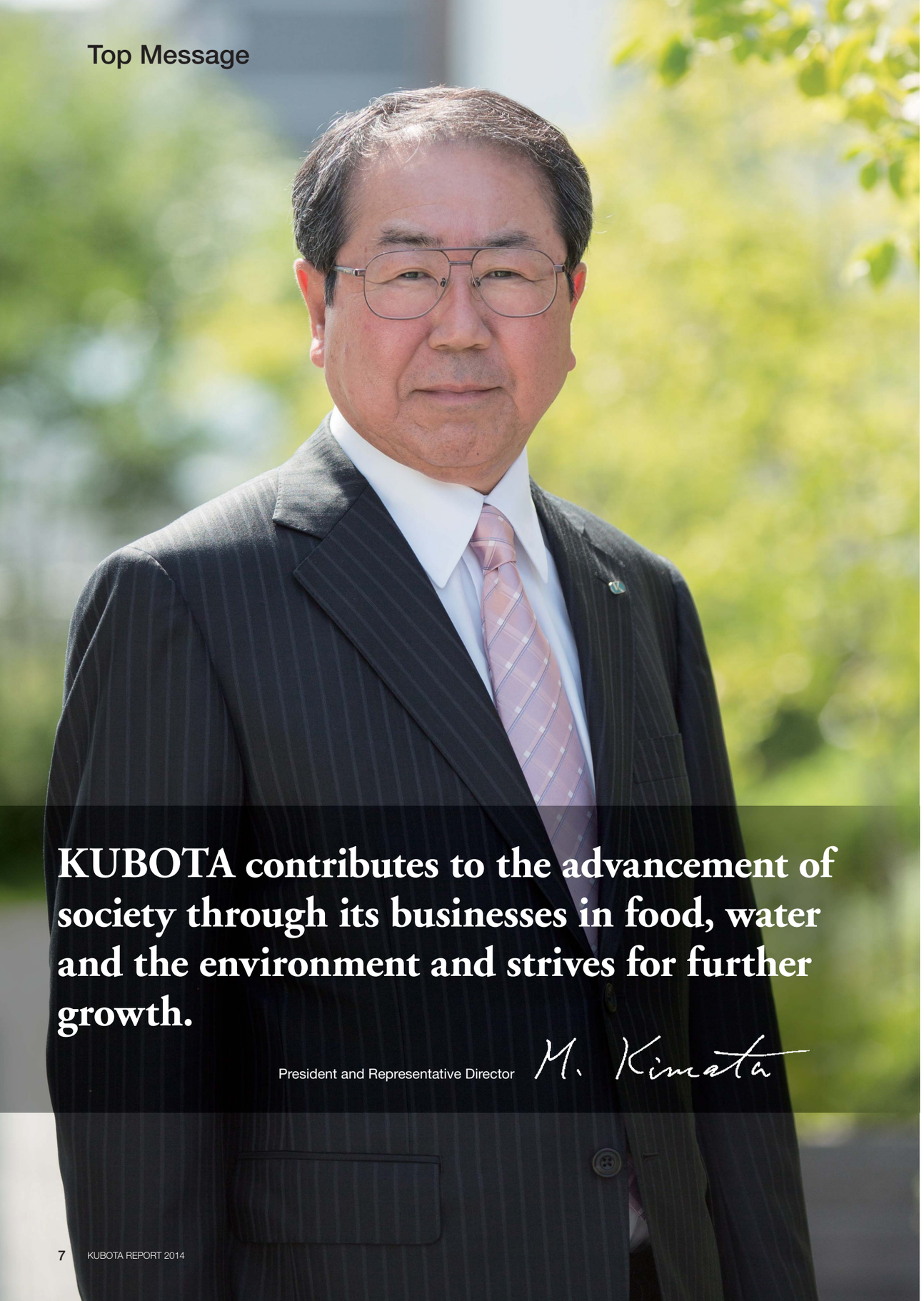
Edited and published by Corporate Communication Dept.



KUBOTA contributes to the advancement of society through its businesses in food, water and the environment and strives for further growth.

President and Representative Director M. Kimata

I'm Masatoshi Kimata and I have recently assumed the position of President and Representative Director of KUBOTA Corporation. I acted as President following the sudden demise of Mr. Yasuo Masumoto, KUBOTA Corporation's former Representative Director, Chairman, President and CEO, in June 2014. After the General Meeting of Shareholders, I was formally inaugurated in this position in July 2014.

Under his stewardship, Mr. Masumoto would often emphasize that KUBOTA Corporation's and its subsidiaries' (herein after, "KUBOTA") lifeblood was its ability to consistently evolve and change. Rather than settling for the status quo, it was imperative that we boldly take on new challenges and accelerate the globalization. I take to heart the ambitions of my predecessor, who spoke of KUBOTA's future and his dreams for its business and then unrelentingly raced straight ahead toward their realization. Accordingly, I will endeavor to strengthen our global presence in the food, water and environment fields.

Carrying Forward FY2015 Management Policies

I will carry forward both the management policies and priority measures developed at the beginning of the period.

Priority measures

(1) Accelerate business development in strategic markets

KUBOTA is strategically accelerating a full-scale entry into the agricultural machinery market for upland farming as well as its development of Water & Environment business activities mainly in Asia outside Japan in a bid to realize medium- to long-term growth.

Thus far, KUBOTA has expanded its overseas business activities based on the success in the agricultural machinery for rice paddy cultivation in Japan. Looking ahead, energies will be directed toward making a full-scale entry into the agricultural machinery market for upland farming, where the area under cultivation is estimated to be more than four times larger than the rice cultivation market. KUBOTA will step up the development of its business in this field by quickly expanding its lineup of products, strengthening and expanding its sales and service network, and implementing other measures with the aim of building a strong position and ranking with existing European and U.S. manufacturers in the upland farming market.

In its Water & Environment business activities in China, KUBOTA is moving forward with the development of its operations through existing local engineering, pump and other business subsidiaries. In Southeast Asia, KUBOTA is entering into the new business fields. As a result of these endeavors, we have received orders for palm oil mill effluent treatment systems in Malaysia and Indonesia. Moving forward, we will make full use of the local subsidiaries' bases acquired in 2012.

(2) Strengthen global business operating systems

In order to expand our business activities in overseas markets, I strongly believe that we must pursue the globalization of mainstay business functions. To this end, we must take steps to aggressively promote the localization of our operations. On this basis, in order to develop products that meet local needs, expanding and upgrading our R&D systems are vital if we are to genuinely expand our business in global markets. Moving forward, we will further strengthen our R&D systems after clarifying the roles and functions of R&D centers among those in Japan and those located overseas. This will enable us to more widely and thoroughly implement the approach of focusing on meeting the needs of the market.

In addition, we will place equal weight on expanding business in Japan.

(3) Realign the Water & Environment business

Compared with the Farm & Industrial Machinery business, the development of overseas operations in the Water & Environment business has lagged. We will therefore work to expand its business in the global markets and also realign the business from a long-term perspective. We will reexamine business units and products from the point of view of growth potential and profitability, and then we will aggressively allocate management resources to those units and products that should be strengthened. Meanwhile, KUBOTA as a whole will work in unison to improve the performance of businesses that continue to exhibit prolonged weakness.

The New Management Structure

I will continue the management style of my predecessor, who placed considerable importance on top management's leadership and work diligently to achieve established goals. With myself at the helm, directors and top management will meet regularly to exchange opinions and deliberate on matters that are important to KUBOTA. In this manner, top management is committed to ensuring a robust decision-making process. Meanwhile, I will steadfastly carry forward KUBOTA's longstanding commitment to speedy and agile top-down management. Decisions will therefore be implemented in a timely and robust manner. Top management, myself included, will accordingly set an example worth following with a strong sense of speed.

Management that Emphasizes the Front Line

During my career, I have worked in each of the manufacturing, sales and procurement departments. I believe that I have an adequate understanding of the difficulties faced by the front line and am sufficiently familiar with possible problems and issues that occur at the front line. Led by our former President, we have continued to engage in business management that places priority on work sites centered on manufacturing. While continuing to adopt this focus, I will also extend the importance of frontline activities to include every facet of our operations including R&D, manufacturing and marketing. Recognizing that these activities define the spirit of a manufacturer, I will work to solidify our operating platform in a bid to expand business activities. Utilizing this robust platform as a springboard for growth, KUBOTA will again accelerate the pace of our business activities across global markets.

Promoting Business Activities

(1) Marketing

To successfully expand our business activities going forward, it is essential that we pursuit for a global-scale marketing with a long-term view and the development of appropriate technologies and products underpinned by it. It goes without saying that a customer-first principle is fundamental to the conduct of marketing. I am convinced that our efforts to deliver products and services that exceed customers' needs with the speed that also exceeds customers' expectations will impress our customers. To achieve this end, we must continuously improve our marketing, development and manufacturing capabilities.

(2) Technology development

KUBOTA will rebuild its R&D bases and systems in a bid to secure the technologies necessary to properly develop its business activities in strategic markets. In the past, business units have for the most part led our R&D endeavors. As previously stated, we will adopt a comprehensive and global approach to rebuilding of R&D systems and have begun steps to put in place a group-wide technology strategy for the future.

Meanwhile, it is becoming increasingly important both in Japan and overseas to develop technologies and products that are deeply rooted in each local community and accurately reflect the circumstances of each region. With this in mind, KUBOTA will work to localize its R&D activities particularly at major overseas bases.

(3) Strengthening manufacturing capabilities

KUBOTA will establish a proprietary manufacturing method that takes into consideration developments in global production as well as the unique features of KUBOTA products to further enhance the level of production. My role is to enable the implementation of this proprietary manufacturing method by putting in place a global production base network and a global human resources development platform that instills in our personnel a commitment to consistently higher quality. Moreover, I will ensure that each production base is able to deliver products that leave a lasting impression and build plants that generate excitement.

At the same time, we will place equal emphasis on globalizing the procurement function to ensure that "Made by KUBOTA" remains a trusted brand. In 2013, we established the Procurement Headquarters to unify the management of procurement across business boundaries and to strengthen collaboration between business units and bases. Additionally we take steps to secure the necessary human resources to engage in global procurement and continue to build a global-scale Group procurement network that extends well beyond each of our businesses and activities.

Toward Further Growth

My predecessor, Mr. Masumoto, was a strong advocate for the globalization. In announcing KUBOTA's management policies each year, he would emphasize that the cultivation of new business and markets is vital for dramatic growth. To this end, he would place significant importance on substantial improvement of our capabilities in technology and manufacturing. I will make every effort for further enhancement and expansion of these fundamental policies. In specific terms, my goal is to see KUBOTA evolve into a company that consistently takes on new challenges and works diligently to contribute to society by resolving issues in the food, water and environment fields. From the perspective of our employees, I would like to see KUBOTA become a company in which employees can have a dream for the future. My goal is to ensure that a company provides a platform for employees to engage in personal growth in the conduct of their business activities. I will make every effort to unify KUBOTA and instill in its employees great confidence. As we work toward achieving these aspirations, we kindly request your continued support and understanding.

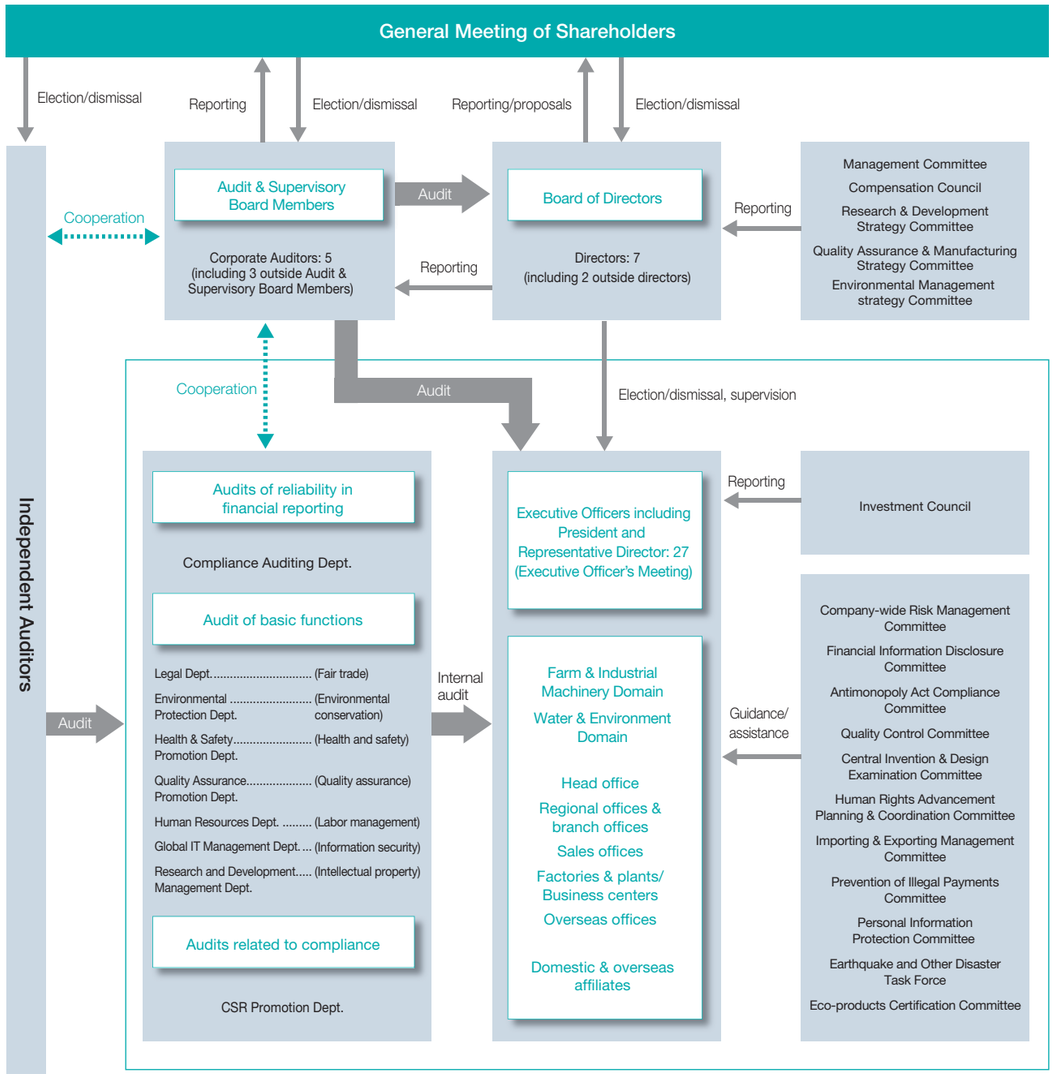
Profile: Masatoshi Kimata, President

Apr. 1977	Joined KUBOTA Corporation
Oct. 2001	General Manager of Tsukuba Plant
Jun. 2005	Director of KUBOTA Corporation
Apr. 2007	Deputy General Manager of Sales Headquarters in Farm & Industrial Machinery Consolidated Division
Apr. 2008	Managing Director of KUBOTA Corporation
Apr. 2009	Director and Managing Executive Officer of Kubota Corporation Deputy General Manager of Farm & Industrial Machinery Consolidated Division, General Manager of Sales Headquarters in Farm & Industrial Machinery Consolidated Division
Jul. 2010	Senior Managing Executive Officer of KUBOTA Corporation
Aug. 2010	President of SIAM KUBOTA Corporation Co., Ltd.
Apr. 2012	In charge of Water & Environment Domain, General Manager of Tokyo Head Office
Jun. 2012	Director and Senior Managing Executive Officer of Kubota Corporation
Aug. 2012	Corporate Staff Operation, General Manager of Water Engineering & Solution Division
Apr. 2013	General Manager of Procurement Headquarters
Apr. 2014	Representative Director and Executive Vice President
Jul. 2014	President and Representative Director (to present)

Corporate Governance

In order to speed up its response to management conditions and achieve enhanced transparency in management, etc., KUBOTA Corporation has adopted the following corporate governance structure.

Corporate governance structure (as of July 1, 2014)



Board of Directors

The Board of Directors makes strategic decisions and oversees the execution of duties by Directors and Executive Officers. It is made up of seven Directors (two of whom are Outside Directors). In addition to its regular monthly board meetings, it also meets as and when required, to discuss and make decisions relating to management planning, financial planning, investment, business restructuring and other important management issues.

Executive Officers' Meeting

KUBOTA Corporation has adopted the executive officer system. The Executive Officers' Meeting consists of the President and Representative Director (referred to below as "the President") and the Executive Officers. In addition to its regular monthly meetings, it also meets as and when required. The President instructs the Executive Officers on policies and decisions made by the Board of Directors. The Executive Officers report to the President regarding the status of their execution of duties.

Audit & Supervisory Board Members

KUBOTA Corporation is a company with Audit & Supervisory Board Members. The Audit & Supervisory Board Members consist of five Corporate Auditors (of whom three are outside Audit & Supervisory Board Members). In addition to regular meetings held on a quarterly or more frequent basis, the Audit & Supervisory Board Members also meet as and when required to discuss and make decisions with regard to auditing policy, audit reports and other matters.

Management Committee and Investment Council

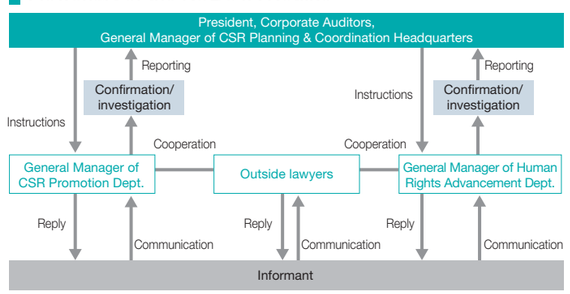
The Management Committee meets to deliberate important management matters such as investments and loans, and mid-term management plans before they are discussed by the Board of Directors. Two of the full-time corporate auditors participate in the committee as observers. The Investment Council gives the President advice on matters to be decided by the President, except those deliberated by the Management Committee, as well as on special matters. The council does not include the President, and one of the full-time corporate auditors participates in it as an observer.

The KUBOTA Hotline (Internal reporting system)

As a mechanism to support its risk control activities, the KUBOTA Group operates an internal reporting system, which also places contracting lawyers outside the Company as consultants. This system aims to prevent or quickly detect and correct any illegal and unethical acts, as well as to develop an open corporate culture.

The number of times the KUBOTA Hot Line was used increased from 44 times in fiscal 2013 to 55 times in fiscal 2014 due to various activities conducted to raise awareness of the hotline.

Flowchart of the KUBOTA Hotline



Internal Control System

The KUBOTA Group's internal control system is based on the recognition that risk management forms an essential part of business activities. In naturally ensuring compliance with relevant laws and regulations, the Company works to make operational-level enhancements, such as the standardization of established practices, by making steady, ongoing improvements in its business activities so that if there are any deficiencies, they are corrected immediately.

Audit number and contents of the risk management

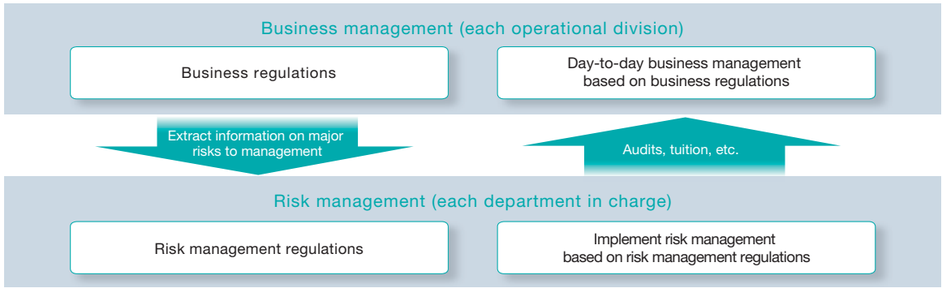
Risk management item		Risk to be avoided	Number of audited items (total)*1 for FY2014
Internal control over financial reporting	Financial reporting	• Risk on reliability in financial reporting	4,429
Internal control concerning basic corporate functions	Fair trade	• Collusive bidding and price cartels • Unfair trading with sales companies, etc. • Violation of the Subcontractors Law	120
	Environmental conservation	• Violations of law • Environmental accidents • Past environmental debt	12,106
	Health and safety	• Serious accidents • Occupational illnesses • Administrative punishments and lawsuits	2,904
	Quality assurance	• Quality problems that may damage the KUBOTA brand and other matters	768
	Labor management	• Related to breach of obligation on attention to safety of employees • Related to improper management of working conditions • Related to improper management of employees under irregular employment, and contract and temporary workers • Related to occurrence of overseas labor problems	5,996
	Information security	• Computer virus infection • Information leaks • Information system failure	1,700
	Intellectual property	• Infringing intellectual property of other companies	539
Internal control concerning compliance	Compliance with equipment-related statutes	• Violations of law related to owned assets and facilities such as the Building Standard Law, Fire Defense Law and Industrial Safety and Health Act	498
	Earthquake and other disaster control	• Serious loss of management, such as human crises, damage to facilities and IT systems, caused by earthquake, etc.	72
	Compliance with the Construction Business Law	• Violation of the Construction Business Law	798
	Human rights promotion*2	• Cases of abusing human rights • Litigation due to improper handling of a case	—
	Safe operation control	• Violation of traffic rules, and accidents caused by such violation • Further damage due to improper handling at time of accident	120
	Prevention of illegal payments	• Relations with antisocial forces • Violation of the Political Fund Control Act • Inappropriate payments to foreign officials, etc.	430
	Confidential information management	• Leakage of confidential information such as development and marketing plans for new products	515
	Personal information protection	• Leakage and loss of personal information on customers, employees, etc. • Improper use of personal information	257
	Import and export control	• Violation of import and export-related laws including the Customs Act, Foreign Exchange and Foreign Trade Control Law, Basel Law and chemical-related laws	200
	Compliance with logistics-related laws	• Violation of the logistics-related laws including the Road Traffic Act • Violation of the drivers' hours rules including the Labor Standards Act	361

*1 No. of audited items (total) is the sum of the number of items audited in each of the divisions subject to audit in FY2013.
*2 In FY2014, activities for human rights promotion focused mainly on training, releasing information, and tracking survey results.

Operation of the Internal Control System

Amid the increasing speed of global business development, we are very much aware that risk management activities based on internal control mechanisms are a management foundation for business survival and work to make improvements, including at our overseas affiliates.

* Details of activities with regard to other risks are posted in part on the Social Report pages.



Fair trade

KUBOTA holds training sessions related to the Antimonopoly Act on an ongoing basis, including at its overseas affiliates, and works to prevent any reduction in awareness of the Company's past violations. In addition, with regard to dubious acts, KUBOTA conducts a consultation with a lawyer or the Fair Trade Commission and is adamant about preventing any recurrence of illegal behavior.

With regard to the Subcontract Law, KUBOTA proactively holds basic training workshops and practical consultations in addition to expanding and upgrading its risk management system.

Kubota Agri Service Co., Ltd. has received a site inspection of the Fair Trade Commission as there is a suspicion that in November 2013, was going to bid rigging for country elevators agriculture facility.
In addition to fully cooperate, we will continue to ensure the efforts for antitrust compliance, including the Group companies continue to investigate.

Information management

(information security, confidential information management, protection of personal information)

Preventing information leaks and the infection of computers by viruses by the ongoing installation of standard anti-virus software in overseas operations and updating Windows XP PCs, the Company enhances security by means of audits. In addition, we are working to finish unifying the different e-mail systems used within the Company as part of our information security measures.

KUBOTA established guidelines in 2012 regarding the safe and effective use of social media for business and personal purposes. With the aim of managing the Company's confidential information and protecting personal information, we are taking the opportunities of audits and workshops to educate everyone in the Company and ensure adherence to the rules.

Please visit our website for information on our policy regarding the protection of personal information

WEB **http://www.kubota-global.net/privacy.html**

Prevention of illegal payments

KUBOTA conducts audits to confirm that mechanisms to prevent illegal payments are in place and working. The Company also confirms that there in fact have not been any illegal payments through the Prevention of Illegal Payments Committee.

The Company is especially reinforcing activities to prevent bribery.

- KUBOTA unveiled the KUBOTA Group's Policy on Anti-Bribery, and the top management made an announcement stating that they would absolutely not permit bribery.
- KUBOTA formulated the KUBOTA Group Anti-Bribery Guidelines and is putting mechanisms in place and formulating detailed rules to prevent bribery.
- KUBOTA created the KUBOTA Group Handbook for Anti-Bribery and is raising awareness of laws and rules related to preventing bribery as well as appropriate responses to bribery. We have created Japanese, English, and Chinese editions of the handbook and have also taken action to prevent the payment of bribes to foreign public officials, which has especially been a problem in recent years.
- To effectively promote bribery prevention activities, workshops are first held with departments most exposed to bribery risk.

Revenues set a new record for the second year in a row.

For the year ended March 31, 2014, revenues of KUBOTA Corporation and its subsidiaries (hereinafter, the "Company") increased ¥298.0 billion [24.6%], to ¥1,508.6 billion, from the prior year.

In the domestic market, revenues increased ¥95.3 billion [17.6%], to ¥638.3 billion, from the prior year. Domestic revenues in Farm & Industrial Machinery increased substantially due to higher sales of farm equipment, construction machinery, and engines. Revenues in Water & Environment also increased steadily owing to sales growth of products related to public works spending.

In overseas markets, revenues increased ¥202.7 billion [30.4%], to ¥870.2 billion, from the prior year. Overseas revenues in Farm & Industrial Machinery rose in North America, Asia outside Japan, and Europe. Revenues in Water & Environment and Other expanded mainly in Asia outside Japan. The ratio of overseas revenues to consolidated revenues was 57.7%, 2.6 percentage points higher than in the prior year.

Operating income increased ¥81.1 billion [66.8%] from the prior year, to ¥202.4 billion, due to increased domestic and overseas revenues and the effect of yen depreciation.

Income before income taxes and equity in net income of affiliated companies, equivalent to operating income plus other income of ¥8.9 billion, amounted to ¥211.3 billion, which was ¥84.1 billion [66.1%] higher than in the prior year. Income taxes were ¥71.9 billion, and equity in net income of affiliated companies was ¥3.0 billion. Furthermore, after deduction of net income attributable to noncontrolling interests of ¥10.8 billion, net income attributable to KUBOTA Corporation was ¥131.7 billion, ¥53.6 billion [68.7%] higher than in the prior year.

Financial Highlights

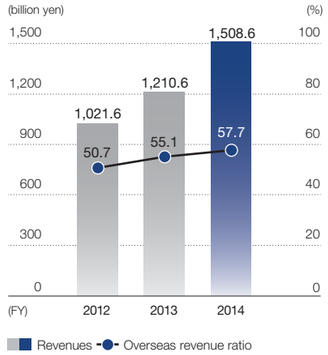
(billion yen)

(FY)	2012	2013	2014
Year ended March 31:			
Revenue	¥1,021.6	¥1,210.6	¥1,508.6
Operating income	103.2	121.4	202.4
Income before income taxes	99.8	127.2	211.3
Net income attributable to KUBOTA Corp.	61.3	78.1	131.7
Capital investments	34.1	50.5	51.2
Depreciation	24.0	29.9	35.3
R&D expenses	27.9	32.0	35.6
Net cash provided by operating activities	68.0	49.3	83.3
Free cash flow*1	38.3	0.1	30.2
As of March 31:			
Total assets	¥1,550.7	¥1,846.6	¥2,104.7
Shareholders' equity	674.4	793.3	934.8
Interest-bearing debt	388.0	510.0	586.9
Per share data (Yen) :			
Earnings per share (EPS)*2	¥ 48.54	¥ 62.15	¥104.94
Book-value per share (BPS)*3	536.97	631.64	748.00
Principal financial data (%):			
Operating margin	10.1	10.0	13.4
Return on assets (ROA)*4	6.8	7.5	10.7
Return on equity (ROE)*5	9.3	10.6	15.2
Shareholders' equity to total assets	43.5	42.9	44.4
Debt equity ratio (times)*6	0.58	0.64	0.63

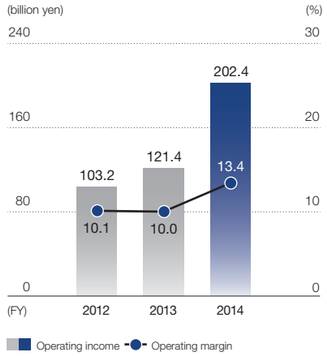
*1.Free cash flow = Net cash provided by operating activities – Purchases of fixed assets
*2.Earnings per share (EPS) = Net income attributable to KUBOTA Corp. ÷ Weighted average number of common shares outstanding
*3.Book-value per share (BPS) = Shareholders' equity ÷ Number of common shares outstanding as of each balance sheet date
*4.Return on assets (ROA) = Income before income taxes ÷ Total assets (average of beginning and end of fiscal year)
*5.Return on equity (ROE) = Net income attributable to KUBOTA Corp. ÷ Shareholders' equity (average of beginning and end of fiscal year)
*6.Debt equity ratio = Interest-bearing debt ÷ Shareholders' equity

The Company aligned the reporting periods of certain subsidiaries and affiliated companies with different financial statement closing dates to that of KUBOTA Corporation. To reflect the impact of these changes, the Company retrospectively adjusted the consolidated financial statements for all periods presented.

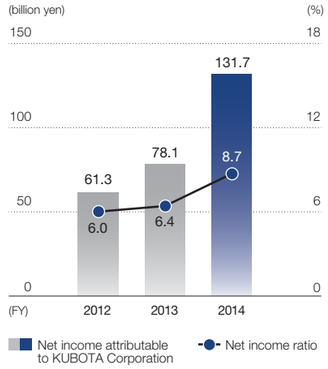
Revenues and overseas revenue ratio



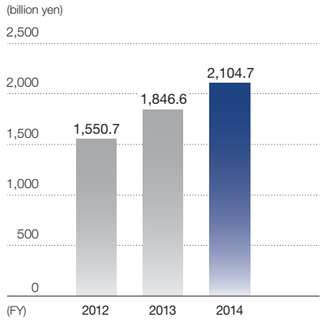
Operating income and operating margin



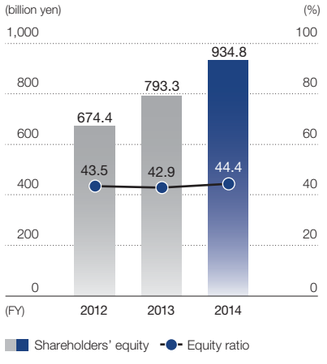
Net income attributable to KUBOTA Corporation and net margin



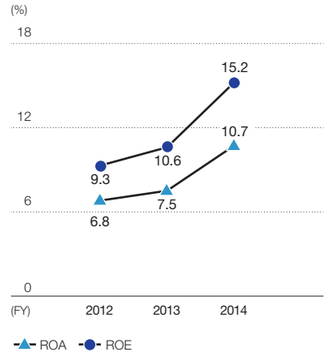
Total assets



Shareholders' equity and shareholders' equity to total assets

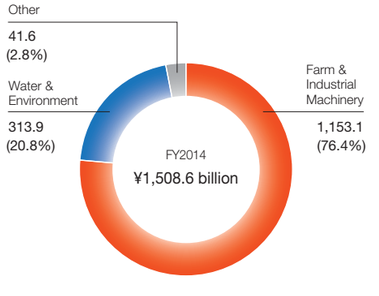


ROA, ROE



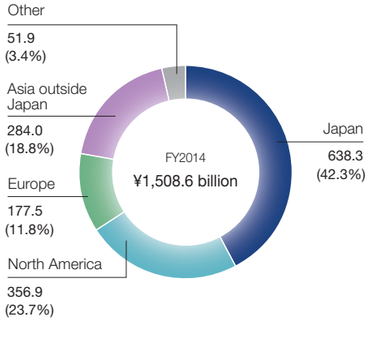
Revenues by reporting segment

(billion yen)



Revenues by region

(billion yen)



Farm & Industrial Machinery

Review of operations

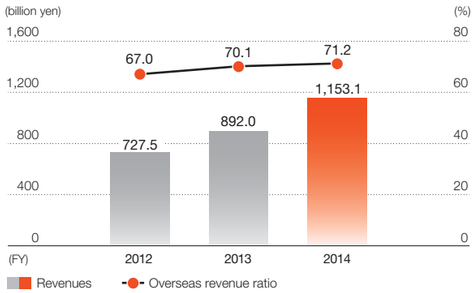
Revenues in this segment increased 29.3% from the prior year, to ¥1,153.1 billion, and accounted for 76.4% of consolidated revenues.

Domestic revenues increased 24.9%, to ¥332.6 billion. Sales of farm equipment marked a record increase due to front-loaded demand before the consumption tax hike and execution of the agricultural-related supplemental budget. Sales of construction machinery expanded sharply due to the increase in public works spending and other factors. Sales of engines also rose.

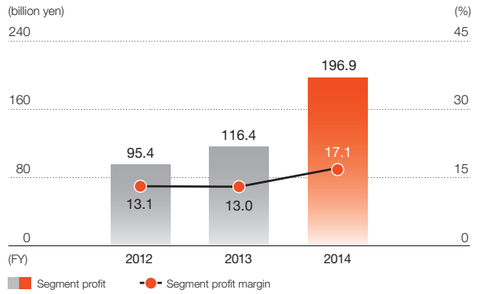
Overseas revenues increased 31.1%, to ¥820.5 billion. In North America, as economic recovery trends continued, sales of tractors increased favorably due to the effects of launching a new line of products and other factors. Sales of construction machinery expanded along with the recovery of housing starts, while sales of engines showed only a slight increase. Revenues in Europe rose significantly because of increased sales of tractors and construction machinery and steady sales of engines owing to the bottoming out of the economy. Revenues in Asia outside Japan increased sharply owing to higher sales of farm equipment and recovery in sales of construction machinery in China.

Operating income in this segment increased 69.2%, to ¥196.9 billion due to increased revenues in Japan and overseas and the effects of yen depreciation.

Revenues and overseas revenue ratio



Segment profit and segment profit margin



Topics

Establishing a production center for an upland farming tractor in France and starting mass production in April 2015

KUBOTA has announced plans to establish a company in France to manufacture new upload farming tractors of 130 to 170 horsepower with mass production slated to commence in April 2015. We aim to produce 3,000 tractors per year from 2017. Compared with rice cultivation, a core market for KUBOTA, the area of arable land for upland crops, such as wheat, corn and soybeans, is roughly four times larger, and large-scale farmland has been expanding in mainly Europe and North America. KUBOTA decided to build a new plant because France is a central area of demand in Europe and Dunkerque is in close proximity to a port for convenient exports to North America and elsewhere. First, KUBOTA aims to expand the large-scale dry-field agricultural equipment business in Europe and North America alongside Kverneland ASA, a Norwegian tractor implement manufacturer the Company acquired in May 2013. Through this initiative, we aim to become an all-round agricultural machinery manufacturer with a strong global presence in both the rice cultivation market and the upland crop market.

Increasing production capacity of the diesel engine plant in the Republic of Indonesia

KUBOTA doubled the production capacity for compact diesel engines under 14 horsepower at its plant in Indonesia from 60,000 to 120,000 units annually and commenced production in July 2014. Compact diesel engines are used in walk-behind power tillers and irrigation pumps, for example, and are positioned as a product for the initial stages of agricultural mechanization. With strong grass-roots demand in Southeast Asia, KUBOTA decided to invest in expanding production capacity to meet growing demand in tandem with a move to an industrial district at the request of Semarang City. KUBOTA aims to enhance its brand image as an agricultural machinery manufacturer while contributing to advances in agricultural mechanization by increasing sales of these engines in Southeast Asia.

Artist's rendition of the plant

Establishing new companies for strengthening agricultural machinery sales in Cambodia and Laos

SIAM KUBOTA Corporation Co., Ltd. (SKC), a joint-venture company formed with the Siam Cement Group, a company affiliated with Thailand's royal family, established wholly owned subsidiaries in Cambodia and Laos in January 2014. Both Cambodia and Laos are agricultural countries that produce mostly rice. In recent years, the increase in wages in Thailand has led to an upswing in the number of people moving to work in Thailand from Cambodia and Laos. This has in turn resulted in labor shortages in the agricultural areas of the two countries and a rapid expansion in demand for agricultural machinery. To date, KUBOTA has sold tractors, combine harvesters, compact diesel engines and power tillers to dealers in Cambodia and Laos through SKC. With the establishment of new companies in both countries, which are expected to enjoy growing demand for machinery, efforts are being directed toward further expanding the Group's network of dealers thereby expanding the agricultural machinery business.

Launch of agricultural machinery compatible with newly developed agricultural support system with ICT for farmers in Japan

In Japan, farmers are working to enlarge agricultural operations, bolster cost competitiveness, and create high-value-added agricultural products while striving to efficiently produce the safe, worry-free, and delicious agricultural products demanded by consumers. KUBOTA has developed the KUBOTA Smart Agri System (KSAS) as a new system that uses information communications technology (ICT) to assist with farming and related services. We began offering this service in June 2014. At the same time, we introduced agricultural machinery compatible with KSAS and will help farmers improve agricultural operations and management using data accumulated from this machinery. KUBOTA launched for the first time tractors able to transmit data about land cultivation work records and machinery operating performance, combine harvesters able to measure harvest yields for each farm and flavor variations, and rice transplanters able to electronically adjust the amount of fertilizer applied. Data gathered by KSAS can be used to formulate agricultural work plans to find optimal harvest yields and rice crop flavors.

Water & Environment

Review of operations

Water & Environment is comprised of pipe-related products (ductile iron pipes, plastic pipes, pumps, valves, and other products), environment-related products (environmental control plants and other products), and social infrastructure-related products (industrial castings, spiral-welded steel pipes, vending machines, precision equipment, air-conditioning equipment, and other products).

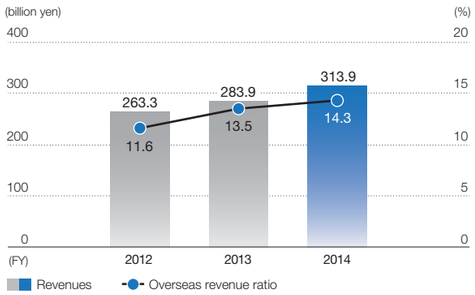
Revenues in this segment increased 10.6% to ¥313.9 billion from the prior year, and accounted for 20.8% of consolidated revenues.

Domestic revenues increased 9.5% to ¥268.9 billion.

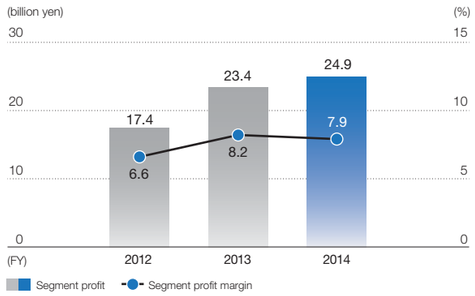
Revenues in pipe-related products rose mainly due to higher sales of plastic pipes. In addition, revenues in environment-related products and social infrastructure-related products also increased. Overseas revenues expanded 17.6%, to ¥45.0 billion owing to increased sales of pumps and industrial castings.

Operating income in this segment increased 6.5%, to ¥24.9 billion, as the increase in revenues offset an increase in material costs.

Revenues and overseas revenue ratio



Segment profit and segment profit margin



Topics

Received an order for Water supply system and Water Purification Plant (WPP) and Sewerage Treatment Plant (STP) in Myanmar's special economic zone

KUBOTA received an order for a water supply system as well as water purification and sewerage treatment plants to be installed and constructed within the Thilawa Special Economic Zone (SEZ). The Thilawa SEZ occupies a wide area of approximately 2,400 hectares and is expected to attract not only Japanese companies but also companies from all over the world. For the first stage of development in the roughly 400-hectare Phase 1 Development Area, KUBOTA used ductile iron pipes for water intake and supply systems as well as its own proprietary treatment methods, which deliver low running costs, for water purification and sewage treatment. In addition to water- and environment-related products, KUBTOA plans to provide the Thilawa SEZ with a wide range of water, effluent and exhaust gas treatment equipment provided by KUBOTA KASUI Corporation. In this manner, the Group is looking to contribute to the economic development of Myanmar.

Constructing palm oil mill effluent treatment facilities in Indonesia—KUBOTA contributes to environmental improvement and the use of renewable energy development by the anaerobic membrane

KUBOTA received an order for five plants to recover biogas from palm oil mill effluent (POME) in Sumatra in the Republic of Indonesia. This is the first order received in Indonesia and the second order received in the region, following an order in Sarawak, Malaysia in October 2012. Palm oil is a major export for Indonesia and Malaysia. The POME that is discharged as a result of the production of palm oil is polluting both water and air. This in turn has become a major problem with the heightened awareness of global warming. By providing and promoting the Company's anaerobic membrane bioreactor (MBR) system, which has dramatically increased biogas yield (20% or higher than other systems), KUBOTA hopes to make a contribution to environmental conservation and the promotion of renewable energy use at palm oil mills in Indonesia and Malaysia, which produce 85% of the palm oil consumed globally.

Plant in Malaysia

Received order for MBR system to be used in the City of Canton, Ohio, USA, the largest MBR facility in the North America

KUBOTA Membrane U.S.A. Corporation received an order for a water recycling treatment facility in Canton City, Ohio, USA in collaboration with its US partner. The facility will be the largest wastewater treatment facility to use MBR technology in North America with a capacity to serve a population of 150,000 people. The Company began technical development of MBRs and launched the Kubota submerged membrane unit (SMU) in 1991. The Company first set up a local subsidiary in London, UK in 2001. In the ensuing period, subsidiaries have been established in Washington, USA and Shanghai, China. KUBOTA SMUs are attracting worldwide acclaim. Having considerable previous success in small and medium-sized facilities with a capacity to serve a population of 25,000 people, the Company developed a product for large treatment facilities. This particular project order is a measure of the Company's success and the result of vigorous sales and marketing activities. The Company will accelerate the business development for large treatment facilities in Europe and the Middle East.

Other

Review of operations

Other is comprised of construction, services, and other businesses.

Revenues in this segment increased 20.1% to ¥41.6 billion from the prior year, and accounted for 2.8% of consolidated revenues. Revenue generated from construction and other business also rose.

Operating income in this segment increased 57.7% to ¥3.8 billion.

Launch of imported Japanese rice milling and marketing operations in Singapore

As its second Japanese rice export receiving base after Kubota Rice Industry (H.K.) Co., Ltd., which was established in 2011, KUBOTA established the subsidiary Kubota Rice Industry (Singapore) Co., Ltd. to import, mill, and sell Japanese rice in Singapore. Operations began in January 2014 after the construction of a rice milling plant in Singapore. We aim to expand Japanese rice import and polishing businesses overseas as a way to help troubled Japanese rice producers export their crops.

Selling rice produced in Kumamoto Prefecture for the first time
(Source: Kumamoto Prefecture)

Consolidated Balance Sheets

Assets

(In millions of yen)

		March 31, 2014		March 31, 2013		Change
		Amount	%	Amount	%	Amount
Current assets	Cash and cash equivalents	87,022		99,789		(12,767)
	Notes and accounts receivable:					
	Trade notes	69,974		73,895		(3,921)
	Trade accounts	534,921		436,642		98,279
	Less: Allowance for doubtful notes and accounts receivable	(3,186)		(2,712)		(474)
	Total notes and accounts receivable, net	601,709		507,825		93,884
	Short-term finance receivables-net	162,983		141,157		21,826
	Inventories	299,765		263,217		36,548
	Other current assets	82,482		68,476		14,006
	Total current assets	1,233,961	58.6	1,080,464	58.5	153,497
Investments and long-term finance receivables	Investments in and loan receivables from affiliated companies	22,631		19,535		3,096
	Other investments	137,641		126,715		10,926
	Long-term finance receivables-net	334,112		275,815		58,297
	Total investments and long-term finance receivables	494,384	23.5	422,065	22.9	72,319
Property, plant and equipment	Land	93,308		91,367		1,941
	Buildings	255,657		243,327		12,330
	Machinery and equipment	424,478		397,213		27,265
	Construction in progress	11,300		12,844		(1,544)
	Total	784,743		744,751		39,992
	Accumulated depreciation	(502,042)		(480,968)		(21,074)
	Net property, plant and equipment	282,701	13.4	263,783	14.3	18,918
Other assets	Goodwill and intangible assets-net	34,628		30,475		4,153
	Long-term trade accounts receivable	35,737		32,010		3,727
	Other	23,824		18,461		5,363
	Less: Allowance for doubtful receivables	(578)		(656)		78
	Total other assets	93,611	4.5	80,290	4.3	13,321
Total		2,104,657	100.0	1,846,602	100.0	258,055

Liabilities and equity

(In millions of yen)

		March 31, 2014		March 31, 2013		Change
		Amount	%	Amount	%	Amount
Current liabilities	Short-term borrowings	181,573		140,324		41,249
	Trade notes payable	40,561		19,655		20,906
	Trade accounts payable	200,145		228,178		(28,033)
	Advances received from customers	7,873		10,122		(2,249)
	Notes and accounts payable for capital expenditures	15,262		15,871		(609)
	Accrued payroll costs	36,829		32,846		3,983
	Accrued expenses	48,939		39,725		9,214
	Income taxes payable	36,349		18,097		18,252
	Other current liabilities	61,626		51,580		10,046
	Current portion of long-term debt	89,766		78,589		11,177
	Total current liabilities	718,923	34.2	634,987	34.4	83,936
Long-term liabilities	Long-term debt	315,598		291,085		24,513
	Accrued retirement and pension costs	13,026		29,050		(16,024)
	Other long-term liabilities	56,497		39,515		16,982
	Total long-term liabilities	385,121	18.3	359,650	19.5	25,471
Equity	KUBOTA Corporation shareholders' equity:					
	Common stock	84,070		84,070		–
	Capital surplus	88,753		88,919		(166)
	Legal reserve	19,539		19,539		–
	Retained earnings	703,740		605,962		97,778
	Accumulated other comprehensive income (loss)	38,996		(4,976)		43,972
	Treasury stock, at cost	(287)		(203)		(84)
	Total KUBOTA Corporation shareholders' equity	934,811	44.4	793,311	42.9	141,500
	Noncontrolling interests	65,802	3.1	58,654	3.2	7,148
	Total equity	1,000,613	47.5	851,965	46.1	148,648
Total		2,104,657	100.0	1,846,602	100.0	258,055

Consolidated Statements of Income

(In millions of yen)

	Year ended March 31, 2014		Year ended March 31, 2013		Change	
	Amount	%	Amount	%	Amount	%
Revenues	1,508,590	100.0	1,210,566	100.0	298,024	24.6
Cost of revenues	1,057,003	70.1	880,891	72.8	176,112	20.0
Selling, general and administrative expenses	247,865	16.4	208,605	17.2	39,260	18.8
Other operating expenses (income)-net	1,291	0.1	(289)	(0.0)	1,580	–
Operating income	202,431	13.4	121,359	10.0	81,072	66.8
Other income (expenses):						
Interest and dividend income	4,446		3,799		647	
Interest expense	(1,500)		(1,330)		(170)	
Gain on sales of securities-net	4,700		154		4,546	
Valuation loss on other investments	(6)		(360)		354	
Foreign exchange gain (loss)-net	(4,150)		8,753		(12,903)	
Other, net	5,372		(5,197)		10,569	
Other income (expenses), net	8,862		5,819		3,043	
Income before income taxes and equity in net income of affiliated companies	211,293	14.0	127,178	10.5	84,115	66.1
Income taxes:						
Current	74,024		41,376		32,648	
Deferred	(2,108)		284		(2,392)	
Total income taxes	71,916		41,660		30,256	
Equity in net income of affiliated companies	3,034		1,606		1,428	
Net income	142,411	9.4	87,124	7.2	55,287	63.5
Less: Net income attributable to the noncontrolling interests	10,750		9,070		1,680	
Net income attributable to KUBOTA Corporation	131,661	8.7	78,054	6.4	53,607	68.7

Consolidated Statements of Comprehensive Income

(In millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2013	Change
Net income	142,411	87,124	55,287
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	32,522	48,766	(16,244)
Unrealized gains on securities	10,065	16,205	(6,140)
Unrealized gains on derivatives	55	135	(80)
Pension liability adjustments	3,285	5,848	(2,563)
Total other comprehensive income	45,927	70,954	(25,027)
Comprehensive income	188,338	158,078	30,260
Less: Comprehensive income attributable to the noncontrolling interests	12,643	17,071	(4,428)
Comprehensive income attributable to Kubota Corporation	175,695	141,007	34,688

Consolidated Statements of Changes in Equity

(In millions of yen)

	Shares of common stock outstanding (thousands)	Shareholders' Equity						Noncontrolling interests	Total
		Common stock	Capital surplus	Legal reserve	Retained earnings	Accumulated other comprehensive loss	Treasury stock		
Balance, at March 31, 2012	1,255,941	84,070	88,869	19,539	567,161	(65,894)	(19,345)	57,963	732,363
Net income					78,054			9,070	87,124
Other comprehensive income						62,953		8,001	70,954
Cash dividends paid to Kubota Corporation shareholders, ¥16 per common share					(20,102)				(20,102)
Cash dividends paid to noncontrolling interests								(420)	(420)
Purchases and sales of treasury stock	10						(10)		(10)
Retirement of treasury stock			(1)		(19,151)		19,152		–
Increase in noncontrolling interests related to contribution								175	175
Changes in ownership interests in subsidiaries			51			(2,035)		(16,135)	(18,119)
Balance, at March 31, 2013	1,255,951	84,070	88,919	19,539	605,962	(4,976)	(203)	58,654	851,965
Net income					131,661			10,750	142,411
Other comprehensive income						44,034		1,893	45,927
Cash dividends paid to Kubota Corporation shareholders, ¥19 per common share					(23,870)				(23,870)
Cash dividends paid to noncontrolling interests								(970)	(970)
Purchases and sales of treasury stock	(6,205)						(10,097)		(10,097)
Retirement of treasury stock					(10,013)		10,013		–
Increase in noncontrolling interests related to contribution								207	207
Changes in ownership interests in subsidiaries			(166)			(62)		(4,732)	(4,960)
Balance, at March 31, 2014	1,249,746	84,070	88,753	19,539	703,740	38,996	(287)	65,802	1,000,613

Consolidated Statements of Cash Flows

(In millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2013	Change
Operating activities:			
Net income	142,411	87,124	
Depreciation and amortization	35,344	29,942	
Gain on sales of securities-net	(4,700)	(154)	
Valuation loss on other investments	6	360	
Loss from disposal of fixed assets-net	737	851	
Impairment loss on long-lived assets	885	296	
Equity in net income of affiliated companies	(3,034)	(1,606)	
Deferred income taxes	(2,108)	284	
Increase in notes and accounts receivable	(82,602)	(61,445)	
Increase in inventories	(16,932)	(19,651)	
Increase in other current assets	(178)	(2,853)	
Increase (decrease) in trade notes and accounts payable	(13,013)	15,824	
Increase (decrease) in income taxes payable	17,570	(2,267)	
Increase in other current liabilities	13,075	8,347	
Decrease in accrued retirement and pension costs	(10,302)	(4,533)	
Other	6,163	(1,196)	
Net cash provided by operating activities	83,322	49,323	33,999
Investing activities:			
Purchases of fixed assets	(53,157)	(49,175)	
Purchase of investment securities	(2,125)	(234)	
Proceeds from sales of property, plant and equipment	1,050	1,228	
Proceeds from sales and redemption of investments	11,563	412	
Acquisition of business, net of cash acquired	–	642	
Increase in finance receivables	(258,945)	(200,614)	
Collection of finance receivables	198,923	167,992	
Net (increase) decrease in short-term loan receivables from affiliated companies	(360)	1,680	
Net (increase) decrease in time deposit	(1,075)	31	
Other	(83)	(1,023)	
Net cash used in investing activities	(104,209)	(79,061)	(25,148)
Financing activities:			
Proceeds from issuance of long-term debt	140,068	148,685	
Repayments of long-term debt	(121,334)	(114,218)	
Net increase in short-term borrowings	24,170	32,830	
Payments of cash dividends	(23,870)	(20,102)	
Purchases of treasury stock	(10,097)	(10)	
Purchases of noncontrolling interests	(4,753)	(18,048)	
Other	(970)	(243)	
Net cash provided by financing activities	3,214	28,894	(25,680)
Effect of exchange rate changes on cash and cash equivalents	4,906	7,243	(2,337)
Net increase (decrease) in cash and cash equivalents	(12,767)	6,399	
Cash and cash equivalents, beginning of year	99,789	93,390	
Cash and cash equivalents, end of year	87,022	99,789	(12,767)

Notes

(In millions of yen)

Cash paid during the year for:			
Interest	11,493	8,483	3,010
Income taxes net of refunds	56,510	43,517	12,993

Consolidated Segment Information

Reporting segments

Year ended March 31, 2014

(In millions of yen)

	Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenues:					
External customers	1,153,088	313,931	41,571	–	1,508,590
Intersegment	76	6,147	23,676	(29,899)	–
Total	1,153,164	320,078	65,247	(29,899)	1,508,590
Operating income	196,891	24,878	3,791	(23,129)	202,431
Identifiable assets at March 31, 2014	1,584,062	269,272	92,703	158,620	2,104,657
Depreciation and amortization	25,272	6,995	749	2,328	35,344
Capital expenditures	36,541	10,038	748	3,902	51,229

Year ended March 31, 2013

(In millions of yen)

	Farm & Industrial Machinery	Water & Environment	Other	Adjustments	Consolidated
Revenues:					
External customers	892,018	283,921	34,627	–	1,210,566
Intersegment	59	5,497	22,075	(27,631)	–
Total	892,077	289,418	56,702	(27,631)	1,210,566
Operating income	116,387	23,352	2,404	(20,784)	121,359
Identifiable assets at March 31, 2013	1,344,365	260,258	83,582	158,397	1,846,602
Depreciation and amortization	20,811	6,213	741	2,177	29,942
Capital expenditures	38,587	8,024	742	3,102	50,455

Revenues from external customers by product groups

(In millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2013
Farm Equipment and Engines	1,002,913	781,911
Construction Machinery	150,175	110,107
Farm & Industrial Machinery	1,153,088	892,018
Pipe-related Products	167,741	151,032
Environment-related Products	73,180	64,917
Social Infrastructure-related Products	73,010	67,972
Water & Environment	313,931	283,921
Other	41,571	34,627
Total	1,508,590	1,210,566

Geographic information

Information for revenues from external customers by destination

(In millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2013
Japan	638,346	543,027
North America	356,890	278,976
Europe	177,466	118,305
Asia outside Japan	283,971	226,367
Other Areas	51,917	43,891
Total	1,508,590	1,210,566

Information for property, plant and equipment based on physical location

(In millions of yen)

	March 31, 2014	March 31, 2013
Japan	180,735	178,672
North America	29,859	25,566
Europe	19,661	14,274
Asia outside Japan	47,941	41,101
Other Areas	4,505	4,170
Total	282,701	263,783

Please refer to Annual Securities Report for the detailed financial information. **http://www.kubota-global.net/ir/financial/yuho/index.html**

KUBOTA's response to the asbestos issue

KUBOTA recognizes sincerely that asbestos-related diseases have occurred among local residents and employees in the vicinity of the former Kanzaki Plant. From the standpoint of fulfilling its social responsibility as a company that handled asbestos in the past, KUBOTA needs to continue tackling this problem with sincerity in the future.

① As of March 31, 2014 relief payments had been made to 265 individuals pursuant to the internal policy of the "Relief Payment System for the Asbestos-Related Patients and the Family Members of the Deceased near the Former Kanzaki Plant."
② KUBOTA employees, including those already retired, suffering from asbestos-related diseases comprised a total of 190 persons as of March 31, 2014, of whom 172 are deceased and 18 are undergoing treatment.
③ KUBOTA has provided financial support for clinical and basic research projects conducted by Hyogo College of Medicine.

For further information, see: (Japanese only) WEB http://www.kubota.co.jp/kanren/index.html

Summary of Social Activities - Together with Society

The KUBOTA Group aims to increase the satisfaction of various stakeholders and enhance its corporate value through implementing the PDCA cycle in each category.

Summary of the Fiscal 2014 Social Report, Priority Issues for Fiscal 2015 and Medium-Term Targets

○ Target reached △ Portion of target not reached

Major items	Main focus of activity	Plan: Priority issues for FY2014 (From April 2013 to March 2014)	Do: Activities in FY2014 (From April 2013 to March 2014)	Check: Self-evaluation	Action: Priority issues for FY2015 (From April 2014 to March 2015)	Page	Plan: Medium-term Targets
Customers and suppliers / Customer satisfaction	**Technologies, Skills and Services to Improve Customer Satisfaction**	• Aim to increase customer satisfaction by improving activities and products as well as sharing survey results and data on customer service issues among relevant departments	• Collaborated with relevant departments in replying to customer inquiries (Shared problems with relevant departments to improve customer satisfaction)	○	• Strengthen market-in approach • Disseminate information reflected in product development and marketing	27 28	• Improve work by reflecting customer opinions • Enhance responsiveness to customer needs, including for inspection and maintenance
	Quality and Procurement to Improve Customer Satisfaction	• Improving quality via quality audits • Prevent quality problems by strengthening quality engineering and check functions at development stage • Inspecting the content of education and continuing to provide education	• Periodically conducted quality audits inside and outside Japan • Implemented quality engineering and Design Review Based on Failure Modes (DRBFM) Company-wide • Reviewed education curriculum	○	• Reduce quality risks and improve risk management structure through quality audits • Improve quality by introducing and using scientific methods • Educate personnel through training and reviews of curriculum	29	• Instilling quality assurance systems • Strengthening activities to prevent quality problems • Further improvements in quality control and product safety education
		• Manage customer data (updates) • Address conflict mineral problem	• Managed supplier data (collated and updated) • Created policy to address conflict minerals, seek understanding of suppliers, and request cooperation in surveys conducted by the KUBOTA Group	○	• Bolster competitiveness by helping suppliers enhance manufacturing, increase skills of procurement managers • Continue to seek understanding of suppliers regarding conflict minerals and request their cooperation in surveys conducted by the KUBOTA Group	30	• Promotion of CSR procurement by sharing guidelines with suppliers of KUBOTA Group companies
Shareholders, etc. / Timely and appropriate release of information	**Timely and Appropriate Release of Information**	• To receive further understanding of business from shareholders and investors as well as to build a trust relationship with them by enhancing disclosure of corporate information • Further improve the General Meeting of Shareholders (make its easier to understand)	• Disclosed accurate corporate information and proactively responded to press inquiries. • Improved information disclosure for foreign investors by issuing quarterly financial report in English • Conveyed results of business activities in an easy to understand format at the General Meeting of Shareholders (via displays of core products, videos projected onto large screens, etc.)	○	• Making continuous efforts to receive further understanding of business from shareholders and investors as well as to build a trust relationship with them by disclosing timely and fair corporate information. • Further improvements in General Meetings of Shareholders (Holding easy-to-understand General Meetings of Shareholders)	—	• To promote of IR activities aimed at achieving an appropriate share price which reflects real state of the Company • Earning trust of stakeholders and expanding the range of stable shareholders by means of appropriate release of information
		• Enhance communications by improving websites for each country • Build collaborative structure with major overseas bases	• In line with overseas business expansion, created new websites for eight countries and distributed information about business activities in each country	○	• Enhance communications by creating and expanding websites for each country in tune with local needs • Strengthen corporate branding by unifying design of KUBOTA Group websites	—	• Corporate branding, including overseas
Employees / Creating rewarding and lively workplaces	**Creating a Safe Workplace for All Employees**	• Nurture safety-conscious people (strengthen personnel training) • Eliminate causes of risk that lead to serious injury or illness (steady implementation of PDCA) • Maintain and improve a healthy work environment	• Created KUBOTA's Basic Policies on Safety and Health • Provided KYT training to increase safety awareness • Implemented measures to address facility risk from major disasters	△	• Deploy Basic Guidelines for Human Safety • Transition from KYT (training) to KY activities (actions) • Identify sources of risks that lead to serious injuries and implement countermeasures	31	• Promoting a safety-first culture among all employees of the KUBOTA Group while aiming for zero accidents that require time off from work
	Creating a Physically and Mentally Healthy Work Environment	• Share information with labor-management committees • Promote specific measures across the KUBOTA Group based on the KUBOTA Wellness Action Plan • Launch second phase of Health KUBOTA 21	• Sharing information among labor-management committees • Promoting specific measures based on the "KUBOTA Wellness (Mental Health) Action Plan" across the KUBOTA Group • Conducted walking events for second phase of Health KUBOTA 21	○	• Continue to share information with labor-management committees • Promoting specific measures based on the "KUBOTA Wellness (Mental Health) Action Plan" across the KUBOTA Group • Continue to promote second phase of Health KUBOTA 21	32	• Aiming to create a vibrant work environment that enables everyone in the KUBOTA Group to live healthy and happily
	Respecting Human Rights and Promoting Diversity	• Prevention of harassment as well as maintenance and improvement of the capacity to resolve harassment in Japan • Ascertain human rights conditions at overseas bases and consider measures related to human rights	• Enhanced training in Japan to prevent and resolve harassment, including at sales companies • Confirmed measures related to human rights and ascertained human rights conditions at all overseas bases	○	• Prevention of harassment as well as maintenance and improvement of the capacity to resolve harassment in Japan • Grasp human rights conditions at overseas bases and consider human rights measures in accordance with international standards for human rights	33	• Attempting to disseminate educational activities in human rights on the part of the KUBOTA Group at home and abroad
		• Proactively participate in outside forums and provide opportunities internally for exchange of opinions • Promote activities that support women in managerial positions alongside increases in female managers	• Held K-Wing meeting. Proactively participated in planning and operating of women forums (WNF) outside the company • Provided education for employees taking childcare leave • Held foreigner forums with five other companies		• Assist women in career advancement while enhancing support for women in managerial positions		• Continuing efforts to promote diversity management (Examining measures to develop a corporate culture that brings out the potential of employees and motivates them regardless of gender, nationality, age, etc.)
	Personnel Policies in Tune with Globalization	• Continue to implement and enhance measures for securing, training and deploying human resources needed to build a global management system and globalize operations	• Created the Global Personnel Management Policy for the global management of personnel • Held global human resources meetings to share personnel systems and discuss personnel policies in tune with globalization • Expanded the foreign language education system (language training for new employees, overseas trainee system)	○	• Aim to advance personnel measures needed to build a management structure in tune with business globalization	34	• Aim to assign the right person to the right job globally, and maximize use of human resources
Communities / Social Contribution Activities	**Rejuvenation and Reconstruction of Areas Affected by Natural Disasters**	• Seek out ways to contribute to society that relate to business (create common values) • Continue to support earthquake reconstruction efforts • Explore ideas for contributing to society overseas	• Continued to implement the KUBOTA e-Project (collaboration with young people and support for reviving abandoned farmland) • Continued to offer assistance for reconstruction after the Great East Japan Earthquake (temporary housing support, such as community gardens, hands-on training for agricultural high schools, volunteers) • Implemented initiatives at overseas bases that were tailored to local communities	○	• Aim to share our social contribution policies Group-wide, and advance measures to grow with communities • Continue to help with reconstruction while being responsive to needs • Strengthen ties with overseas bases and enhance activities together	37 38	• Expand initiatives overseas • Promote collaboration with NGOs and NPOs
	Contributions to International Society and Local Communities					39 40	

*For items on internal control, see the Management section on pages 11 to 14, and for environmental items, see the Environmental Report section on pages 41 to 71.
*The above table does not especially contain fundamental, long-term information regarding HR or other policies.

Initiatives to Improve Customer Satisfaction

The KUBOTA Group aims to satisfy customers and gain their trust by providing compelling products and services tailored to their needs. The KUBOTA Group engages in R&D and strives to polish technical skills in order to ensure product features and quality are worthy of the Made by KUBOTA brand.

R&D and Technical Skill Training for Customer Satisfaction

R&D Creates New Value through the Fusion of Mechatronics and IT

IT-based services are spreading to various areas of society. As an aim of development, KUBOTA offers administrative and management services that combine mechatronics and IT. Beginning with these developments, KUBOTA aims to provide valuable new products and services that bring more satisfaction to its customers through groundbreaking R&D that will unearth issues and needs that even customers do not realize.

R&D Creates New Value through the Fusion of Mechatronics and IT

Agriculture In Japan, new needs have been emerging in agriculture with the transition to larger, more efficient farms turning agriculture into a growth industry against a backdrop of aging farmers and changes in government agricultural policies. KUBOTA has increased agricultural efficiency by accurately tracking with GPS the speed and location of tractors in fields that are challenging to navigate due to uneven ground and quagmires, enabling the even application of fertilizer without waste. During harvesting with combines, location data is paired with data about crop quality and volume. This data is then stored in a system for use during the next planting season for optimizing the application of fertilizer.

Urban Infrastructure While public works budgets are revised, concerns have arisen about the need to repair aging social infrastructure that have a direct impact on communities. KUBOTA conducts R&D into the efficient updating of water pipeline networks, such as new technologies that enable the automatic creation of pipe layout maps using GPS and the automatic connection of piping using machines.

Regional Marketing and Product Development

With the globalization of business, customers are rapidly going global. It is not possible to completely satisfy customer needs for how to increase product sales or how to locally launch high-quality products developed and manufactured in Japan. KUBOTA has put in place local R&D centers in order to accurately grasp customer needs and rapidly develop new products. For example, North America is the main market for riding lawn mowers, so we shifted our development base to the United States. Products developed mainly by local researchers became popular hits for aligning with customer needs. We will promote the development of products that customers truly like by conforming to the cultures, customs and climate of each country and region around the world.

"Zero Turn Mower" ridable lawn mower

Sharing Technical Information

KUBOTA has technologies that span a variety of fields as a result of constantly addressing the expectations of society throughout time. To contribute globally and leverage our comprehensive capabilities in the fields of food, water and the environment, which are essential for the continuation of the human race, we must cross business boundaries and take development to the next level. At its technology research presentations, KUBOTA assembles engineers from across the Group, including overseas companies, to facilitate interaction and information sharing.

KUBOTA Technology Research Presentation
Kverneland A5
Product Development Manager
Eyvind Time

Disclosure of Recall Information

Recall of medium-duty tractors
(total of 218 tractors in six models)
Recall number: 3332
Recall start date: March 27, 2014

Recall of KL-Z tractors
(total of 7,447 tractors in nine models)
Recall number: 3392
Recall start date: July 24, 2014

For further information, see: (Japanese only) http://www.kubota.co.jp/important/index.html

KUBOTA Group Technical Skill Contests

The KUBOTA Group holds the KUBOTA Group Technical Skill Contest with the aim of fostering a sense of unity and improving technical skills across the Group. At the event in fiscal 2014, 201 contestants tested their technical skills in 14 categories, including lathing, welding, and machine maintenance. In addition to competing against each other, the contest served as an opportunity to evaluate the skill levels of each base and encourage the contestants to sharpen their skills even further. The contests improve the manufacturing capabilities of each base while spreading these skills across the entire Group.

KUBOTA Group Technical Skill Contest

Improving New Employee (Trainee) Education

Under the policy of "no manufacturing without human resource development," KUBOTA is committed to the education of new employees who will engage in manufacturing at production sites. The current trainee system, which was launched in 1975, provides a residential training course for approximately one year at the two training centers in Sakai and Hirakata in Osaka Prefecture. The training curriculum is mainly composed of "technical and skill training," "practical training at production line" and "personality development training." Throughout the training period, the trainees learn the basics as members of society and as new employees. This system is highly appreciated by visitors of the training centers including high school teachers.


Trainee system session (finishing practice)

Establishment of the "5-Gen Dojo" Overseas

Amid the rapid globalization of manufacturing bases, KUBOTA established the first overseas "5-Gen Dojo" in the United States for the purpose of spreading throughout the world the "5-Gen" principle,* a philosophy of constant improvement in employee training and at manufacturing sites. As a place to learn about the "5-Gen" principle, the new facility plans to accept students from Canada and Europe in addition to the United States. With the global localization of production, KUBOTA will make sure that each base around the world conforms to KUBOTA manufacturing standards to ensure safety, environment, quality, cost and delivery (SEQCD) worthy of the Made by KUBOTA brand.

* "5-Gen" principle = [Gen-ba (Actual Site), Gen-butsu (Actual Things), Gen-jitsu (Actual Facts), Gen-ri (Principles) and Gen-soku (Basic Rules)] for ongoing improvement.


"5-Gen Dojo" Opening Ceremony
Kubota Manufacturing of America Corporation
Chief Manufacturing Officer
Brian Arnold

Quality and Services to Improve Customer Satisfaction

Initiatives to Improve Quality and Small Group Activities

Amid global business development, KUBOTA introduces and utilizes scientific methods such as Design Review Based on Failure Mode (DRBFM)*1 and quality engineering*2 to win customer satisfaction and ensure product quality (functions, performance and reliability) under various operating conditions. We aim to ensure product safety and superior quality by further advancing these scientific methods.

KUBOTA promotes small group activities that lead to improvements in personnel training and workplace vitality. Every year, a small group activity award presentation event is held with representative circles, and the winning circle describes its results at presentations held inside and outside Japan. In 2013, KUBOTA won the Excellence Award at the International Convention on QC Circles held in Taipei, Taiwan. We will continue to invigorate small group activities and train personnel to equip them with the technical skills and technologies that will earn the trust of customers.

* 1 A method of preventing potential problems from arising by focusing on changes in designs and development.
* 2 A method of efficiently defining design requirements through experimentation to ensure uniform quality under different operating conditions.

Design review using actual parts

Excellence Award received at International Convention on QC Circles

Bolstering Global Procurement Capabilities

Procurement at overseas production bases has risen sharply in accordance with the rapid globalization of business. The KUBOTA Group strives for optimal regional procurement by building a supplier network around the world. We aim to strengthen competitiveness by improving quality and productivity through measures to organize major suppliers. Through these activities, we aim to enhance the skill sets of procurement managers at KUBOTA bases. We will continue to make the KUBOTA brand worthy of the trust placed in us by customers around the world.

A veteran giving guidance to a supplier in Thailand

Initiatives to Address Conflict Mineral Problem (CSR Procurement)

KUBOTA addresses the problem of conflict minerals as a part of its CSR activities. Conflict minerals are a problem facing global society. Of the tantalum, tin, tungsten and gold produced in the Democratic Republic of the Congo and neighboring countries, These conflict minerals are those that act as a source of funds for armed insurgents, many of whom have repeatedly committed inhumane acts of violence. KUBOTA prohibits the use of conflict minerals. If it is discovered that conflict minerals are being used, KUBOTA promptly takes steps to discontinue their use. We seek mutual understanding with our suppliers, which are a part of the supply chain,* and request their cooperation in surveys and audits conducted by Group companies.

* Supply chain: The process of procuring raw materials to make products that are delivered to consumers.

Status of ISO9001 Certification (As of April 1, 2014)

Department Office

Department Office				Main product(s)	Date of certification	Certifying body
Farm & industrial machinery	Engines, Tractors, Farm machinery, Construction machinery		Sakai (Including Okajima) Rinkai	Engines, tractors, farm equipment, and construction machinery	1994.06	LRQA
			Tsukuba	Engines and tractors	1994.06	LRQA
			Utsunomiya	Transplanters and harvesting equipment	1997.02	LRQA
			Hirakata	Construction machinery	1996.04	LRQA
Water & environment	Pipe system	Ductile iron pipe	Hanshin Keiyo	Ductile iron pipe, fittings, accessories and related products	1999.01	JCQA
		Valves	Hirakata	Valves and gates	1994.09	LRQA
		Industrial materials	Okajima	Casting products	1998.05	JICQA
		Pumps	Hirakata	Pumps, pump station, and sewage & water purification plants	1997.10	LRQA
	Water engineering & solution	Water and sewage engineering	Tokyo	Sewage & sludge treatment, water purification and waste water treatment	1997.10	LRQA
		Membrane systems	Hanshin Office	Membrane module and anaerobic MBR technology	1997.10	LRQA
		Johkasou	Shiga	Purified water tank made by plastic	2003.04	JUSE
	Materials	Materials (Steel castings, Roll, New material)	Hirakata Amagasaki	Rollers, tubes, piping, fittings, spools, columns, piles, sleeves, cylinders, and static castings, rolling mill roll and non-metal mineral product (titanic acid compounds)	1993.03	LRQA
		Steel pipe	Keiyo	Spiral welded steel pipe	1998.07	JICQA
	Electronic equipped machinery	Vending machinery	Ryugasaki	Vending machines for cigarette, paper packed and canned beverage	2008.09	DNV
		Precision equipment	Kyuhoji	Electronic weighing equipment and load cell	1994.08	DNV

Key to the abbreviation of certifying bodies
LRQA : Lloyd's Register Quality Assurance Ltd.
JCQA : Japan Chemical Quality Assurance Ltd.
JICQA : JIC Quality Assurance Ltd.
JUSE : Union of Japanese Scientists and Engineers
DNV : DNV Business Assurance Japan K.K.

Affiliates in Japan

Affiliated companies	Scope of certification	Date of certification	Certifying body
KUBOTA Precision Machinery Co., Ltd.	Design, development and manufacture of hydraulic valves, hydraulic cylinders for agricultural and construction machines. Manufacture of hydrostatic transmissions, hydraulic pumps for off road vehicles and agricultural machines, and hydraulic motor for construction machines.	2007.04	LRQA
KUBOTA-C.I. Co., Ltd.	Design, development, and manufacture, of vinyl pipes, polyethylene pipes, fittings and various kinds of attachments	1998.04	JUSE
Nihon Plastic Industry Co., Ltd.	• Design, development, and manufacture of vinyl pipe and secondary processed products • Design, development, and manufacture of polyethylene and other plastic pipes • Design, development, and manufacture of polystyrene/polyethylene and other plastic sheet plates	1998.12	JSA
KUBOTA Pipe Tech Co.	• Design, construction and construction management of various pipelines, etc. • Investigation and diagnosis of pipelines • Training on installation of fittings and pipe laying • Rental of pipe-laying equipment	2002.03	JCQA
Water Technology Institute Ltd.	• Design and development of packaged software supporting for water supply business. • Provision of operation support services for packaged software supporting for water supply business and its date entry services. • Provision of survey and consulting services for water supply analysis	2004.04	JCQA
KUBOTA Environmental Service Co., Ltd.	Design, construction, maintenance, and servicing of plants for water supply systems, sewerage systems, debris landfill, night-soil treatment, and solid waste disposal	2000.02	MSA
KUBOTA KASUI Corporation	Design and construction of environmental conservation plants	2000.01	BCJ-SAR
KUBOTA Air Conditioner Co., Ltd.	Design, development, manufacturing, and ancillary services for large-scale air-conditioning equipment	2000.02	JQA
KUBOTA Systems, Inc.	• Consigned development of software products and software packages, design,development, and manufacturing of network structures and ancillary services. • Operation service of information systems and operation and maintenance of networks • Sale of purchased products	1997.05	BSI-J
Heiwa Kanzai Co., Ltd.	Design, development, and supply of cleaning services for buildings and facilities	2002.07	JICQA
Kubota Construction Co.,Ltd.	Design and construction of civil engineering structure and buildings	2011.12	JQA

Key to the abbreviation of certifying bodies
LRQA : Lloyd's Register Quality Assurance Ltd.
JUSE : Union of Japanese Scientists and Engineers
JSA : Japanese Standards Association
JCQA : Japan Chemical Quality Assurance Ltd.
MSA : Management System Assessment Center
BSJ-SAR : The Building Center of Japan
JQA : Japan Quality Assurance Organization
BSI-J : BSI Group Japan K.K.
JICQA : JIC Quality Assurance Ltd.

Creating a Rewarding and Vibrant Work Environment

KUBOTA takes a variety of measures to make workplaces where employees can work safely, securely and in a healthy way. We focus these efforts on maintaining work-life balance, mental healthcare and occupational health and safety.

Creating a Safe Workplace for All Employees

Occupational Safety Initiatives

KUBOTA's Basic Policies on Safety and Health were formulated in April 2013 to ensure all employees involved in business activities understand that "Safety is our First Priority". The KUBOTA Group makes sure all of its employees have safe and secure workplaces.

The 9th KUBOTA Group Long-term Industrial Accident Reduction Plan aims to eliminate accidents that result in lost work time as one of its goals. To realize this goal, KUBOTA continued in fiscal 2015 to invest in safety measures and equipment based on Equipment Safety Improvement Guidelines it created in fiscal 2014. We have also incorporated Basic Guidelines for Human Safety into our personnel training program.

KUBOTA's Basic Policies on Safety and Health

"In the KUBOTA Group, there is no work to be carried out without serious consideration for safety and health." To achieve this, we established the fundamental principle that all the people involved in the business shall behave based on the philosophy the 'Safety is our First Priority.'

Priority Actions

Offices and Plants

1. Reinforcement of human resources development (Creating human resources of KUBOTA targeted safety)
2. Elimination and reduction of factors that lead to the risk of serious injury
3. Maintenance and improvement of healthy workplace environment
4. Addressing to radiation risk
5. Promotion of mental health care
6. Promotion of maintenance and improvement of health measures
7. Promotion of measures for industrial traffic accidents

Construction Departments

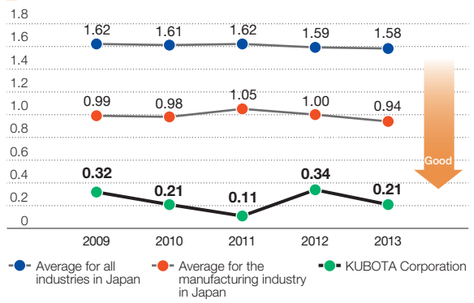
1. Improve safety awareness and disseminate related technology
2. Expand coordinated health and safety management
3. Promote accident prevention measures
4. Ensure strict adherence to accident prevention measures
5. Conduct thorough health management
6. Stringent environmental management

Making Equipment Safer

In fiscal 2014, KUBOTA created the Equipment Safety Improvement Guidelines for investment in equipment and safety measures, identifying six categories of risk for serious injury involving the melting process, contact with heavy objects, falling from high places, contact with vehicles, wedging in presses, and harmful substances.

In fiscal 2015, KUBOTA plans to continue investing in equipment based on the Equipment Safety Improvement Guidelines. We will also create new guidelines that address four risks: (1) wedging and entanglement in machinery, (2) flying and falling objects, (3) electrocution and electrical burns, and (4) fire and explosions.

Trends in the accident frequency rate



Personnel Training Based on KUBOTA Group Safety-Conscious Employees

Since fiscal 2014, the KUBOTA Group has been promoting efforts to raise awareness of safety among employees. In fiscal 2015, we defined the type of person who is a safe person, behaving in ways that always protect themselves and others. We also created the Basic Guidelines for Human Safety as a set of fundamental rules and manners for safety and focused on improving awareness of safety among all employees of the KUBOTA Group, both inside and outside Japan. KUBOTA will continue to educate employees at its business sites around the world about how to recognize danger and rely on their KYT (how to sense danger training) to improve their ability to avoid danger.

KYT training session

Creating a Physically and Mentally Healthy Work Environment

Efforts To Promote Mental Health

Based on the KUBOTA Group Safety and Health Guidelines, we have formulated KUBOTA Mental Health Improvement Targets, and offered consultation services with medical staff to assist with analyzing work-related stress and learning more about taking care of oneself, as an opportunity to recognize one's own stress levels and learn how to deal with this stress. We also trained managers and supervisors on how to care for the health of their line workers with the aim of detecting early on and preventing mental health issues for the managers and supervisors as well as their line workers.

Mental health training session

Efforts to Promote Work-Life Balance

KUBOTA Corporation has formulated various ideas based on the Act on Advancement of Measures to Support Raising Next-Generation Children to enable employees to work in a manner that is in harmony with their private lives. Its efforts along these lines were officially recognized, leading to receipt of "Kurumin" mark (Next Generation Recognition Mark) in 2009, 2011 and 2013.

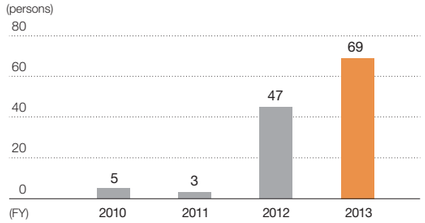
* Acquisition of the "Kurumin" mark requires recertification based on action plans created every two to five years. KUBOTA receives this certification based on action plans created every two years.

Action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children

(the two-year period between April 1, 2013 and March 31, 2015)

- Enhance the childbirth leave program for female employees
- Continue the campaign to encourage male employees to use the childcare leave program

Status of male employees using the childcare leave program



Training for employees that took childcare leave at the head office (employees learn tips and techniques for eventually returning to a rewarding career while raising their children)

Initiatives to Make Sure Employees Use Vacation

We encourage employees to use their paid vacation days from the standpoint of maintaining their mental and physical health, preventing overwork, and striking a work-life balance. KUBOTA aims to be a company where employees work with enthusiasm while achieving harmony between their work and private lives.

Encouragement Methods

1. Recommend that employees take paid vacation during labor-management meetings
2. Create an environment where it is easy to take paid vacation
3. Foster opportunities to rethink the way one works

Specific Measures

1. Set achievable targets Company-wide (for the three-year period from fiscal 2015 to fiscal 2017)
2. Continue and strengthen measures unique to each business site, spread awareness and disseminate information about taking paid vacation
3. Discuss efficient ways to work, visualize work and create work manuals to promote communication about taking paid vacation

Respecting Human Rights and Promoting Diversity

Raising Awareness of Human Rights

In line with the Code of Conduct of the KUBOTA Group shown below (excerpts), the Group makes efforts to raise awareness of human rights in Japan and overseas, respect international human rights guidelines, and ensure thorough compliance with relevant laws in the respective countries and regions.

Code of Conduct (excerpts)

- We support the Universal Declaration of Human Rights, and respect the human rights of all people.
- We do not discriminate or violate human rights on the basis of nationality, race, age, gender, or for any other reason whatsoever.
- We do not permit forced labor or child labor, and also request our business partners for compliance in this regard.

Having established the Human Rights Advancement Planning & Coordination Committee in Japan, we are creating a system where all employees receive human rights training based on the action guidelines of the committee, with the ultimate aim of fostering a corporate culture that values people.

KUBOTA promptly responds to inquiries received via a consultation system available at all of its bases, including overseas. Managers of consultation services in Japan receive training once a year to improve their counseling ability.

In addition, KUBOTA reviews background checks, such as credit checks, once a year to look for any improper practices from the standpoint of respecting human rights and protecting privacy.

Human rights training for directors and managers (instructor: Kazuhiro Nozawa from the Mainichi Newspaper)

Number of employees who joined human rights training sessions during FY2013

In-house training	Outside training	Total (total participants)
21,012	551	21,563

K-Wing Activities

KUBOTA proactively supports the Kubota Women's Initiative Diversity Network & Group (K-Wing), a network for female employees, and participates in outside forums. The number of women in managerial positions has increased every year, rising from 24 in 2009 to 56 in 2014 (as of April). KUBOTA supports women at work through female employee networks inside and outside the Company.

<Participating Forums>

① The 10th Women's Networking Forum in OSAKA 2013
② Young Women's Career Design Forum
③ The 9th Women's Networking Forum in Tokyo

A scene from the Women's Networking Forum

Creating Workplaces for Disabled Persons

KUBOTA has founded two specific subsidiaries, Kubota Works Co., Ltd. and Kubota Sun-Vege Farm Co., Ltd., and operates them to create jobs and a work environment for disabled persons.

Kubota Sun-Vege Farm Co., Ltd. engages in hydroponic cultivation of safe and reliable vegetables with the aims of seeking to promote the independence of persons with disabilities and their coexistence with local communities, as well as using abandoned fields to support the stimulation of agriculture in Japan. The vegetables produced by the company are not only used by the cafeterias at KUBOTA business sites in Japan and sold internally, but are also marketed in supermarkets in Osaka Prefecture.

Kubota Sun-Vege Farm Co., Ltd.

Maximizing our Human Resources with Appointments and Training to Support Global Business Development

Creation and Dissemination of KUBOTA Global Personnel Management Policy

Based on the KUBOTA Global Identity, its corporate philosophy, KUBOTA has created the KUBOTA Global Personnel Management Policy as its basic policy for personnel management across the Group.

The policy covers a total of five categories that are important in the management of personnel: hiring, training, evaluation, compensation, and the type of person sought after the KUBOTA Group. Based on this content, we aim to create and share personnel policies for the entire KUBOTA Group.

Global Human Resources Conference Held

The Global Human Resources Conference was held for the first time with the heads of human resource departments from overseas affiliates.

Attendees of the conference discussed the Global Human Resource Management Policy, shared information about each other's personnel systems, and debated personnel policy within the context of globalization.

The conference served as an opportunity to forge stronger connections between the heads of human resource departments at overseas affiliates and address personnel issues arising from the globalization of business.

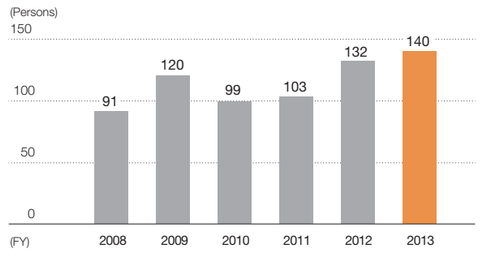
Global Human Resources Conference

Foreign Language Training for New Hires

Since fiscal 2009, KUBOTA has helped young employees improve their foreign language skills and adaptability to foreign cultures by offering about one month of foreign language education and overseas manufacturing base training to all new employees.

Since fiscal 2013, KUBOTA has continued to improve these programs, by dispatching employees overseas after having learned basic English skills in Japan, and creating new programs for employees with foreign language skills above a certain level.

Number of employees dispatched for language training



Expanding the Overseas Trainee System

Since 1997, KUBOTA has dispatched a number of employees overseas each year for training purposes. We plan to send more employees overseas in FY2014 as a part of efforts to foster global human resources.

As one of the most effective policies for fostering global personnel, KUBOTA will continue to dispatch employees overseas in 2014.

Personnel department trainee Mizuho Tanaka (dispatched to Kubota Saudi Arabia Company, LLC)

Personnel Policies and System (KUBOTA)

1. Basic Personnel Policy

Foster a corporate culture full of vigor with emphasis on taking on challenges and creativity
Find the right person for the right job based on their abilities and ambitions

2. Personnel System

Basic Idea of Personnel System Operations

Equal opportunity

Each employee can strive to attain any role or position.

Right person for the right job

Aim to place the right person in the right job based on their abilities and ambitions

Main Points of Personnel System

- There are three career paths comprising expert positions, staff positions and technical positions for different roles and responsibilities. The personnel system separates personnel training, assignments and compensation for each of these career paths.
- Employees can change career paths based on their abilities and ambitions.

Career paths	Expert positions (management class)	Staff positions (administrative and general class)	Technical positions (technical class)
Definition of personnel (main roles)	People that drive the business, solve problems that arise in operations, and exhibit a high level of performance based on their willingness to take on challenges, advanced expertise, and extensive experience and know-how	People that contribute to the business, take on challenges for their own growth, and take on broad responsibilities, especially work that requires expertise, creativity and experience, while aiming to establish a field of expertise	• People that are in charge of work responsibilities, supervise and nurture subordinates, and achieve work objectives • People that improve work processes based on advanced skills, knowledge and experience, and can perform complicated work
Training and education	• Department and section head class: management training • Upcoming management assistants: selective training	Specialized training for specific objectives that employees can choose on their own from a curriculum of about 140 courses of varying difficulty and subject matter	Rank-based training to improve technical skills and quickly foster supervisors with a particular focus on training in the “5-Gen” principles
Evaluations	• Employees set targets with their bosses at the start of the year. Meetings are held during the year to evaluate progress toward these targets, followed by a self-evaluation and a review meeting at the end of the year. • Bosses evaluate their subordinates, including process and work behavior.		Some evaluations also follow the framework on the left.
Rotation	The work responsibilities of each employee are reviewed periodically, while taking into consideration workplace needs and their preferences, to avoid having employees perform the same work for long periods.		—
Ranking*	• Five rankings • Moves up in the rankings based on contribution to performance	• Seven rankings • Moves up in the rankings based on contribution to performance (Some require testing)	• 11 rankings • Moves up in the rankings based on contribution to performance (Some require testing and technical qualifications)
Salaries	Monthly salaries are reviewed every year until the age of 58 (56 for expert positions). Each ranking has upper and lower limits to monthly salary.		
Bonuses	Bonuses are designed to reflect consolidated performance, affiliated business performance, and individual performance.	Bonuses are designed to reflect individual performance and bonus amounts set as standards in annual labor-management negotiations.	
Retirement benefits	Retirement benefits are based on a point system that reflects rank, years of service, and evaluation.		

* The basis upon which compensation is determined

Fostering a CSR Mindset

Activities to Instill the Corporate Philosophy

To raise awareness of our new corporate philosophy, the KUBOTA Global Identity that was penned in October 2012, training sessions were held at each base around the world from July 2013 to March 2014. At the training sessions, employees listened to an explanation of the corporate philosophy, watched a DVD about the founder and history of KUBOTA, and then discussed their feelings and opinions. We plan to continue these training sessions to foster awareness of the problems we are trying to solve in the fields of food, water and the environment as a group of 30,000 employees.

Training sessions

CSR Forum for Management

In December 2013, we held the CSR Forum for managers, which was attended by a total of 113 directors, presidents of Group companies, and other managers.

At the CSR Forum, we welcomed Etsuhiro Hosoda from Canon Marketing Japan Inc. as a guest speaker to talk about the pulse of CSR within the context of businesses responding to the changing demands and expectations of society (stakeholders), as well as CSR branding as a competitive advantage that expresses the distinguishing aspects of a corporation that integrates business with CSR. We will continue promoting CSR management and the building of our corporate brand by creating opportunities to deepen the understanding of CSR among employees and managers responsible for its promotion.

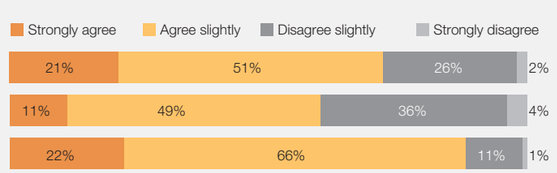
CSR Forum

CSR Awareness Survey for Employees

In July and August 2013, we surveyed KUBOTA Group employees in Japan about their awareness of CSR, and approximately 6,400 people took the survey. With a much larger sampling of survey takers and content, we were able to ascertain their awareness and understanding of the corporate philosophy, code of conduct, CSR management and compliance. In the free comment section, many survey takers wrote positive ideas about improving the KUBOTA Group. We plan to continue conducting the CSR survey every year with the same questions to help increase employee awareness and identify areas for continued improvement as a company.

Compilation of answers to key questions in employee CSR awareness survey

- Do you know that our mission is to help solve problems related to food, water and the environment? What do you think you can do to help?
- Do you know a lot about the KUBOTA Hot Line system?
- Is communication in your workplace good, with people greeting each other every day?

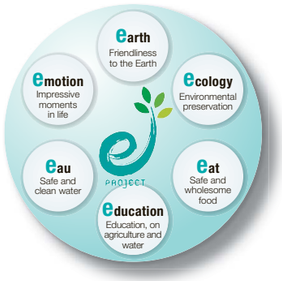


Contributing to International and Local Societies

The KUBOTA Group aims to coexist with society as a good corporate citizen, building relationships of trust through communication with local communities through respect for the culture and customers of each country and region.

The KUBOTA e-Project

Six e-perspectives



In an effort to contribute to society in the areas of food, water and the environment, the KUBOTA Group commenced the KUBOTA e-Project in 2008. The KUBOTA Group promises to continue supporting the prosperous life of humans while protecting the environment of this beautiful earth. Through this promise to everyone, we seek the understanding and cooperation of stakeholders as we contribute to the creation of a sustainable society.

Support for the restoration of abandoned farmland

We support efforts to restore abandoned farmland throughout Japan by offering agricultural machinery.

KUBOTA GENKI Agriculture Experience Workshop

This program aims to deepen understanding of agriculture and provide educational opportunities through rice growing agricultural experiences such as rice transplanting and harvesting as well as tasting the harvested rice.

Developing regional brands and advertising farm fresh crops

We make every possible effort to expand opportunities to generate awareness of fresh and processed food products that are the pride of each region of Japan.

Introduction of the activities of visionary farmers

We introduce the activities of farmers with vision about agriculture that coexists harmoniously with the regional environment.

Improving global water environments

We make every possible effort to reduce the number of people who do not have access to safe water. To this end, we support the construction of wells in India being undertaken by the Japan Asian Association and Asian Friendship Society, both of which have been active in Asia for many years.

KUBOTA e-Day Volunteer Program

KUBOTA employees volunteer in community beautification and cleanup activities throughout the region.

"UCHIMIZU" solution for heat island

KUBOTA employees are creating opportunities to draw attention to global warming through "UCHIMIZU" activities around KUBOTA business locations, which involves lowering outside temperatures by sprinkling water on the pavement.

KUBOTA "TERRA-KOYA" summer camp

We sponsor the KUBOTA "TERRA-KOYA" summer camp, which enables children to experience the abundance of nature as well as learn about the importance of the global environment. Since 2011, we have been inviting children from disaster-affected areas to this summer camp as part of our efforts to assist reconstruction efforts following the Great East Japan Earthquake.

Kubota Sun-Vege Farm Co., Ltd.

Kubota Sun-Vege Farm Co., Ltd. engages in hydroponic cultivation of vegetables in order to create an environment that allows people with disabilities to work actively.

Water Cycle Education Program

This program provides opportunities to raise awareness among young people about water and environmental preservation.

Mainichi Earth Future Prize

KUBOTA sponsors Mainichi Earth Future Prize, a program that invites various specialist instructors to teach classes to junior and senior high school students who have an interest in science.

KUBOTA Active Lab

KUBOTA Active Lab offers participating high school students the opportunity to learn on their own about topics concerning food, water and the environment.

Social Contribution Activities through Corporate Sporting Events

KUBOTA manages the Kubota Spears as a corporate rugby sports team. Based in Funabashi, Chiba, the team plays in the top tier of the league and volunteers to teach rugby and help with cleanup efforts and beautification programs to foster the adoration of local fans.


Rugby Festival in Funabashi City


Rugby classes taught to junior high school students


Cleanup activities to make Funabashi beautiful

Overseas Social Contribution Activities

The KUBOTA Group engages in a wide variety of activities at its overseas bases to give back to the community. Through donations, tree planting, and disaster relief, we aim to be a company with strong grass-roots support.

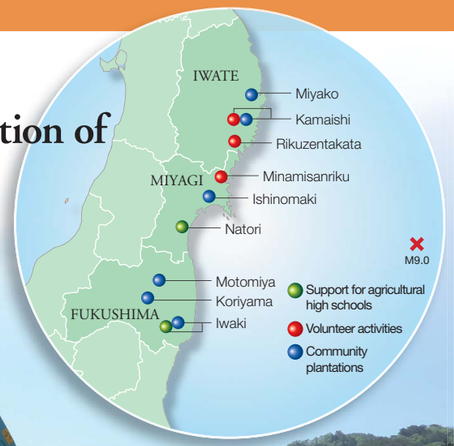

Support for elementary schools provided by SIAM KUBOTA Metal Technology Co., Ltd.


Tree planting by Kubota Engine (Thailand) Co., Ltd.


Donations to children support organization by Kubota Manufacturing of America Corporation

Support for Revitalization and Reconstruction of Areas Affected by Natural Disasters

The KUBOTA Group helps farmers with agricultural management and farmland revitalization, supports the creation of lively communities through the appeal of agriculture, and assists agricultural high schools.



Volunteers help move and set up equipment for the Hakozaki Farm operated by the Kamaishi City Social Welfare Council

KUBOTA products deployed as reconstruction assistance

The KUBOTA Group's various water- and environment-related products are being used in the restoration, recovery and urban development of disaster-stricken areas. Examples include the restoration of water supply and sewage lines, construction of pipes and treatment of effluent for temporary housing structures, and the restoration of agricultural water.

Iron pipes
This is used in the restoration and maintenance of lifelines, such as water supplies, sewage lines, and gas lines.

Valves
This is used in the restoration and maintenance of lifelines, such as water supplies, sewage lines, and gas lines, by controlling liquids and gases.

Pumps
This is used for emergency drainage as a countermeasure for flooding caused by heavy rainfall and spring tides.

Plastic pipes
This is used in the restoration and maintenance of lifelines, such as water supplies, sewage lines, and gas lines.

Water treatment plant
This is used to purify waste water, including residential and industrial sewage.

Waste water treatment tanks
This facility processes wastewater from temporary housing in regions with insufficient sewage lines.

Spiral welded steel pipes
This is used as foundation piles in a variety of structures, such as bridge foundations, ports, rivers, and building foundations.

Truck scales
Truck cargo, such as debris, is weighed.

Volunteer activities by new employees

Employees from the KUBOTA Group have continued to volunteer in regions adversely affected by natural disasters as part of an aim to foster personnel through reconstruction support. New employees that volunteer come into direct contact with people affected by the natural disaster and gain first-hand knowledge of conditions in the area, providing them with opportunities to learn about how companies interact with society.

Fostering the next generation of farmers

The KUBOTA Group has continued to offer special classes about the direct sowing of iron-coated seeds to the students of agricultural high schools in Miyagi Prefecture and Iwaki Agricultural High School in Fukushima Prefecture, which were greatly damaged by the tsunami and earthquake. Through rice growing technology that replaces rice transplanting techniques, we support these young students as leaders of the reconstruction of agriculture in the Tohoku region.

Forming circles of support through community gardens

Amid prolonged residencies in temporary housing, the KUBOTA Group is cooperating with local governments, NPOs and other companies to plan and build community gardens for the purpose of creating a space for residents to have fun and get to know each other better.

Hokugen Yuzu Project to support farmland revitalization

The KUBOTA Group lent its support for the development of new farmland through the restoration of abandoned agricultural areas in answer to a call from local residents working to revitalize agriculture and reconstruct Rikuzentakata City. Iwate Prefecture is turning yuzu (a citrus fruit) grown in Hokugen into a brand name under the Hokugen Yuzu Project for creating a new regional specialty. Harvested yuzu are used to make liquors and sweets.

Support for buckwheat harvesting and reconstruction of areas affected by natural disasters

In Rikuzentakata City, Iwate Prefecture, KUBOTA provided assistance for the buckwheat harvest as a way to support agricultural associations that lost agricultural machinery to the tsunami. These agricultural associations plan to expand farmable land area and revive soba (buckwheat noodle) restaurants in the region. We will continue to support people working to restore agriculture in areas affected by the natural disaster.

Wine Toast Project to support grape fields

In Kamaishi City, Iwate Prefecture, we helped locals turn abandoned farmland into grape fields. Local residents have been working hard to invite the 2019 Rugby World Cup and revitalize Kamaishi through celebrations with wine. We hope the region will regain its vitality.

Supporting opportunities for residents in temporary housing to interact via buckwheat noodle making events

KUBOTA also cooperates with NPOs working to create spaces for residents of temporary housing to get to know each other better. In Iwaki City, Fukushima Prefecture, along with the Iwaki City Onahama District Reconstruction Support Volunteer Center, we provided support for buckwheat noodle-making events with temporary housing residents in Naraha Town.

Support for disaster-affected areas by eating and drinking regional specialties

At internal events, we make an effort to provide refreshments made in the Tohoku region. Social events that take place at the Head Office are designed to support disaster-affected areas by eating, drinking and buying products from these areas in order to promote goodwill toward the people of the affected areas. In the past, we have served seafood from Sanriku, boutique sake from Rikuzentakata, and other specialties from Fukushima.

Environmental Management Basic Policy

With “For Earth, For Life” as our Brand Statement, the KUBOTA Group continues to support the creation of abundance in people’s lifestyles while protecting the beautiful global environment. As a sustainable company, KUBOTA supports the creation of a sustainable society by working to find solutions to problems in the fields of food, water and the environment through our business activities.

The KUBOTA Group Environmental Charter

- The KUBOTA Group aspires to create a society where sustainable development is possible on a global scale.
- The KUBOTA Group contributes to the conservation of global and local environments through its environmentally friendly operations, products, and technologies.

The KUBOTA Group Environmental Action Guidelines

1 Environmental Conservation Efforts in All Business Activities

(1) We promote environmental conservation measures in all stages of our corporate activities, including product development, production, sales, physical distribution, and service.

(2) We also request that our suppliers understand the importance of environmental conservation efforts and cooperate in this regard.

2 Global Environmental Conservation

(1) We promote global environmental conservation measures for stopping climate change, creating a recycling- based society, and controlling chemical substances.

(2) We promote global environmental conservation by providing technologies and products contributing to solving environmental problems.

(3) We strive to ensure our corporate activities are friendly to the natural environment and biodiversity.

3 Environmental Protection to Create a Symbiotic Relationship with Local Societies

(1) We make efforts in the reduction of environmental risks and promote our business activities with proper consideration for the protection of local environments, including pollution prevention.

(2) We actively participate in environmental beautification/education activities in local communities.

4 Our Voluntary and Organized Efforts in Environmental Conservation

(1) By introducing the environmental management system and establishing voluntary targets and action plans, we work on our daily business operations.

(2) We endeavor to enhance environmental awareness through active environmental education/enlightenment activities.

(3) We actively provide the stakeholders with environment-related information.

(4) We collect stakeholders’ opinions broadly through environmental communication, and reflect the findings in our environmental activities.

Message from the Environmental Conservation Control Officer

The KUBOTA Group has made it our mission to solve problems in the fields of food, water and the environment and contributes to the conservation of the global environment through “Made by KUBOTA” manufacturing activities. Since FY2014, management has endeavored to further strengthen environmental management by guiding the implementation of measures to update our environmental management promotional structure, reduce environmental loads and environmental risks, and expand a line-up of environmentally friendly products. In June 2014, KUBOTA made a commitment to work towards our new targets to the Japanese Environment Minister, and was recertified as an “Eco-First Company”. On this occasion, we would like to improve our environmental communications with our customers, employees and other stakeholders in a bid to enhance our brand value. The KUBOTA Group will unify our efforts to help conserve the global environment.

Senior Managing Executive Officer
GM of Quality Assurance & Manufacturing Headquarters
(Environmental Conservation Control Officer)
Kenshiro Ogawa

Basic Direction of Corporate Environmental Management

As the basic direction of the environmental management of the KUBOTA Group, we established these three items.

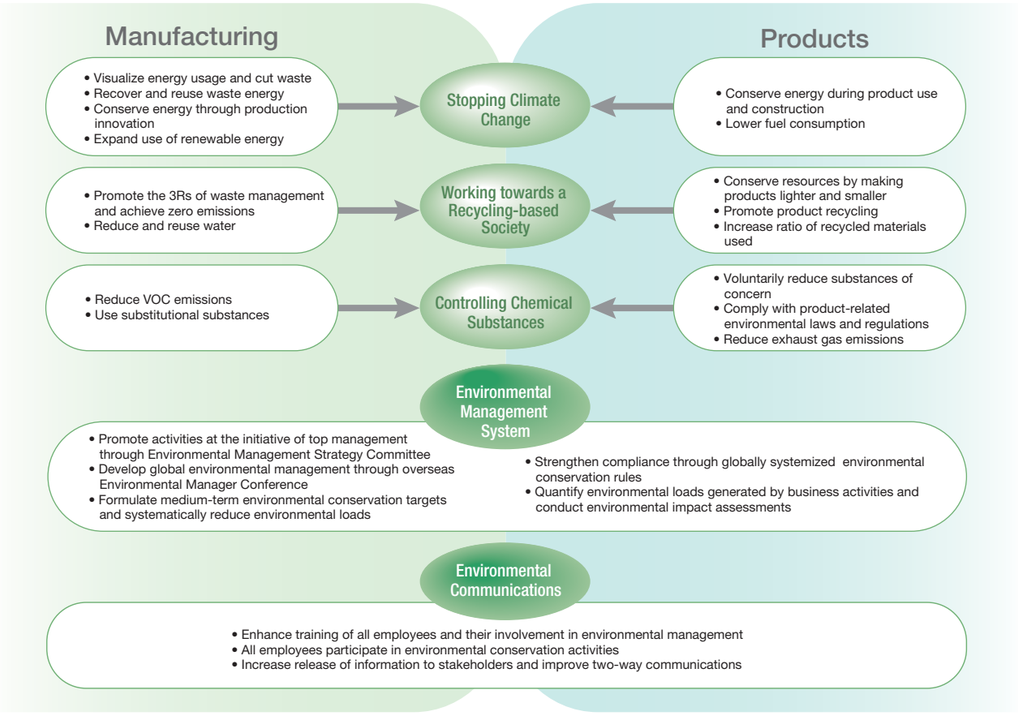
- Stop Climate Change
- Work Towards a Recycling-Based Society
- Control Chemical Substances

The KUBOTA Group aims to fortify these two items as the platform of our environmental activities.

- Environmental Management System
- Environmental Communications

Key measures

Based on the Basic Direction of Corporate Environmental Management, the KUBOTA Group engages in environmental management with key measures focused on manufacturing and products.

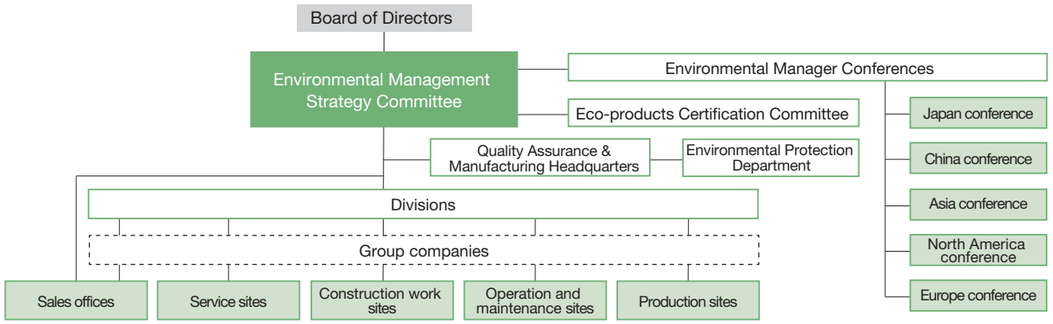


Environmental Management Promotion System

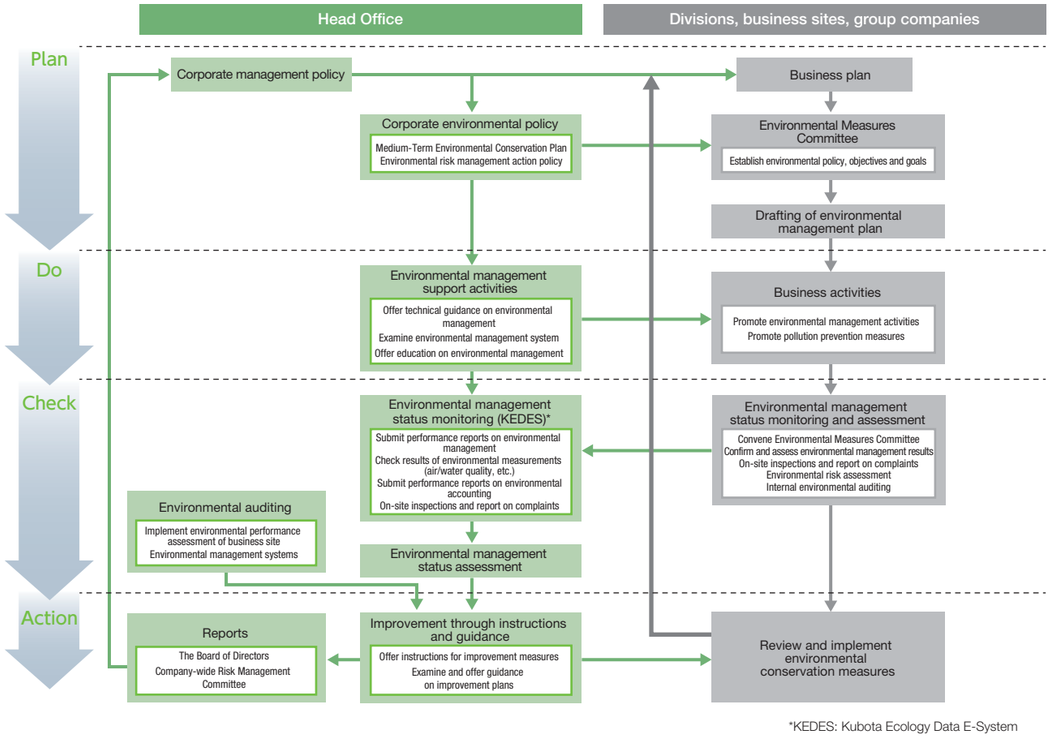
In FY2015, the Environmental Management Strategy Committee was newly established to bolster and accelerate environmental management. By transitioning to a management-led promotional structure, we aim to take a more strategic and innovative approach to environmental management.

Environmental Manager Conferences, which had been held only in Japan, are held in China, Asia, North America and Europe to globally advance environmental management across the KUBOTA Group.

Organization structure



The KUBOTA Group environmental management system



*KEDES: Kubota Ecology Data E-System

FY2016 Medium-Term Environmental Conservation Targets

The Results for FY 2014

The KUBOTA Group has created the FY2016 Medium-Term Environmental Conservation Targets in line with our Basic Direction of Corporate Environmental Management to systematically promote environmental conservation activities in each stage of manufacturing and product development. As presented below, results for FY2014 show that we are generally on track to achieve our targets for FY2016.

Issues	Actions	Management Indicators*2	Scope	Base FY	Targets FY2016	Results FY2014*2	Self-evaluation*6	Achievement Status (reasons for not achieving FY2016 targets)	Detail Page
Stopping climate change	Reduce CO_2	CO_2 emissions per unit of production*3	Global production	2009	▲14%	▲27.5%	◎	We are making progress on energy conservation in production facilities, air handling systems and lighting.	47
	Energy conservation	Energy use per unit of production	Global production	2009	▲14%	▲22.2%	◎		
Working towards a recycling based society	Reduce waste	Waste discharge per unit of production	Global production	2009	▲14%	▲32.5%	◎	We are making progress on waste separation and introduction of returnable containers.	49
		Recycling ratio*4	Production sites in Japan	—	99.5% or above	99.8%	○	We are implementing waste conversion to valuable resources and maintaining the higher recycling ratios than the target.	49
			Overseas production sites	—	90.0% or above	79.6%	△	We are not currently achieving the target due to an increase in landfill waste volume that resulted from a change in contractors.	
	Conserve water resources	Water consumption per unit of production	Global production	2009	▲21%	▲37.8%	◎	We are making progress on water conservation by the installation of wastewater recycling facilities.	51
Controlling chemical substances	Reduction of VOCs*1	VOC emissions per unit of production	Global production	2009	▲21%	▲37.1%	◎	We are making progress on VOC reduction by improving coating efficiency and use of non-VOC paints	52
Improve environmental performance of products	Expand line of Eco-Products	Sales ratio of Eco-Products*5	Global	—	40%	18.1%	△	In FY2014, we certified 35 products as Eco-Products.	53

*1 VOCs comprise the six VOCs that are most prevalent in emissions from the KUBOTA Group, namely xylene, toluene, ethylbenzene, styrene, 1, 2, 4-trimethylbenzene, and 1, 3, 5-trimethylbenzene.
*2 The figures per unit of production represent the intensity of the environmental load per unit of production money amount. The exchange rate of the base fiscal year is used when translating the production value of overseas sites into yen.
*3 CO_2 emissions include greenhouse gases from non-energy sources. We use the emissions coefficient for electricity of the base fiscal year in our calculation of CO_2 emissions from energy sources.
*4 Resource recycling ratio (%) = (Sales volume of valuable resources + External recycling volume) / (Sales volume of valuable resources + External recycling volume + Landfill disposal) × 100. Heat recovery is included in external recycling volume.
*5 Sales ratio of Eco-Products (%) = Sales of Eco-Products / Sales of products (excluding construction work, services, software, parts and accessories) × 100
*6 Self-evaluation rating symbols: ◎ Target exceeded (by at least 20%) ○ Target reached △ Target not yet reached

Environmental information in the online version of the KUBOTA REPORT 2014 has received the third-party assurance from KPMG AZSA Sustainability Co., Ltd. Indicators covered by this assurance are marked with the 🔍 symbol.

As an “Eco-First Company”

In June 2014, the KUBOTA Group created the FY2016 Medium-Term Environmental Conservation Targets with a commitment to achieving the following five objectives, and was recertified as an “Eco-First Company.” The KUBOTA Group will aggressively work toward achieving these objectives based on this new commitment.

- Work towards a recycling-based society
- Stop climate change
- Reduce emission into the atmosphere
- Develop environmentally friendly products
- Conserve biodiversity

Eco-First Mark

Eco-First certification ceremony

Access our website for further information about Eco-First Company: http://www.kubota-global.net/environment/ecofirst.html

Business Activities of the KUBOTA Group that Aims to Contribute to Global Environmental Conservation

Food


Tractors


Combine harvesters


Rice transplanters


Power tillers


Rice mills


Engines

Stabilize food production

Increase crop harvests

Increase agricultural efficiency

Reduce spray volume of agricultural chemicals

Reduce fertilizer usage

Control eutrophication of water

Make exhaust gas cleaner

Continue to support the future of the earth and humanity

Secure food supplies

Safe and secure water supplies

Global environmental conservation

Sanitary water supply

Long-term stable water supply

Multi-region water supply

Treat and purify sewage

Reuse water

Treat and reduce volume of waste

Water


Iron pipes


Pumps


Valves


Seismically reinforced water tanks

Environment


Submerged membrane units


Waste water treatment tanks


Desulfurization equipment and denitrification


Waste shredders

Stopping climate change

Resource circulation

Prevention of environmental pollution

CO_2 reduction

Resource conservation and recycling

Prevention of atmosphere, water and soil pollution

Provide products

Planning → R&D → Procurement → Production → Distribution → Installation → Use → Disposal

Water recycling amount 80.4 thousand m^3

Internal resource recycling amount 26.3 kilotons

Provide products

The KUBOTA Group's Initiatives at Plants and Offices • Conserve energy • Promote 3Rs of waste management • Reduce water consumption • Reduce VOC emissions • Conserve biodiversity

INPUT

Energy

Fossil fuels	4,600TJ	Solar power generation	66.7MWh
Purchased electricity	690,600MWh		
Transportation fuel*	695TJ		
Total	12,150 TJ		

Water resources

Service water	1.10 million m^3
Industrial water	2.56 million m^3
Groundwater	1.02 million m^3
Total	4.68 million m^3

Major raw materials

Cement	5.9 kilotons
New pig iron	7.7 kilotons
Band steel	101 kilotons

Recycled materials

Old pig iron	59.4 kilotons
Steel scrap	236 kilotons

Recovery of used products

Cast iron pipes	4,425 tons
Vinyl pipes	350 tons
Plastic sheets	71.3 tons
Crawlers	250 tons

Chemical substances

Volume of PRTR-designated substances handled*	5,839 tons
Volume of chemical substances handled (overseas sites)	5,623 tons

OUTPUT

Atmospheric emission

CO_2	663 kilotons CO_{2e}
(Energy sources	657 kilotons CO_{2e}
Other than the above)	6 kilotons CO_{2e}
Distribution CO_2*	48 kilotons CO_{2e}
SOx	17.6 tons
NOx	79.6 tons
Soot and dust	9.2 tons

Water system discharge (Discharge water includes rain and spring water)

Public water areas		Sewage lines	
Amount of discharge water	3.82 million m^3	Amount of discharge water	1.23 million m^3
COD*	10.9 tons		
Nitrogen*	9.1 tons		
Phosphorous*	0.3 tons		

Waste

Amount of waste discharge	98.2 kilotons
External recycling	75.9 kilotons
Landfill waste (included in the above)	13.1 kilotons
Amount of construction waste, etc. discharge*	23.8 kilotons

Chemical substances

Atmospheric emission		PRTR-designated substances in water system discharge*	
PRTR-designated substances*	462 tons	Public water areas	8.4 kg
VOC (included in the above)*	460 tons	Sewage lines	21.4 kg
Chemical substances (overseas sites)	230 tons		
VOC (included in the above) (overseas sites)	186 tons		

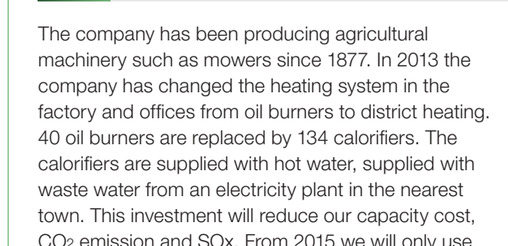
(FY2014 results) *indicates data concerning business sites in Japan

Stopping Climate Change

The fifth report issued by the Intergovernmental Panel on Climate Change (IPCC) states that there is little room for doubt about the global warming of climate systems and reports that human activity is highly likely to be a factor behind climate change. The KUBOTA Group aims to reduce CO_2 emissions, mainly through measures to conserve energy, to contribute to stopping climate change.

CO_2 Emissions (scope 1 and scope 2)

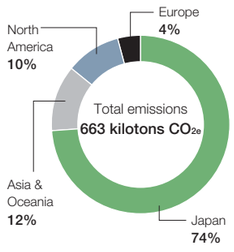
Trends in CO_2 emissions and emissions per unit of sales



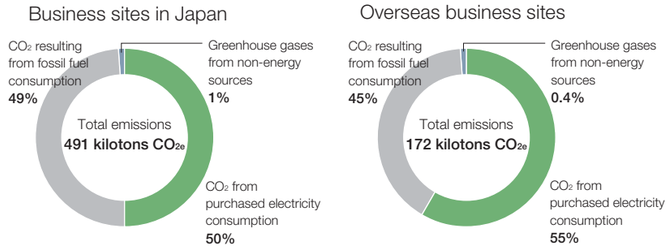
In FY2014, CO_2 emissions stood at 663 kilotons CO_{2e} and increased 13.3% compared with the previous fiscal year. We made efforts to conserve energy by upgrading to highly efficient equipment and reducing unproductive use of energy, but the CO_2 emission coefficient for electricity worsened due to the earthquake and natural disaster in Japan, and CO_2 emissions increased overseas as a result of higher production volume. However, the CO_2 emissions per unit of sales decreased 9.1% compared to the previous fiscal year.

*1 CO_2 Emissions per unit of sales = CO_2 emissions / Consolidated net sales
*2 CO_2 emissions (663 kilotons) include portions of CO_2 that were not released into the atmosphere but absorbed as carbon into products such as iron pipes (26 kilotons CO_{2e}).
*3 CO_2 emissions include GHG from non-energy sources.
*4 CO_2 emissions from FY2010 to FY2013 were revised to improve accuracy.

CO_2 emissions by region (FY2014 results)



CO_2 emissions by emission source (FY2014 results)



Voice Introduction of Heating Systems that Use Waste Heat

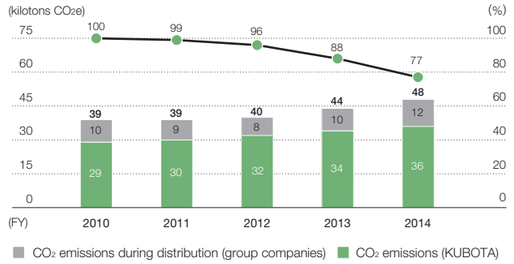
The company has been producing agricultural machinery such as mowers since 1877. In 2013 the company has changed the heating system in the factory and offices from oil burners to district heating. 40 oil burners are replaced by 134 calorifiers. The calorifiers are supplied with hot water, supplied with waste water from an electricity plant in the nearest town. This investment will reduce our capacity cost, CO_2 emission and SOx. From 2015 we will only use oil in our hardening process.


Kverneland Group Kerteminde

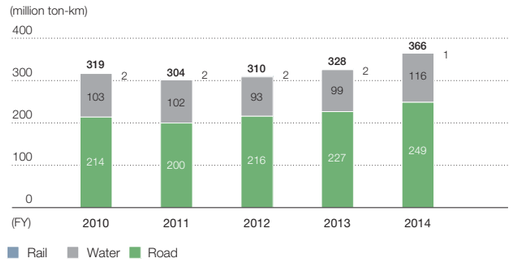

Kverneland Group Kerteminde Production Manager
Niels Erik Andersen

CO_2 Emissions during Distribution (business sites in Japan)

Trends in CO_2 emissions during distribution and emissions per unit of sales



Trends in freight traffic



* CO_2 emissions during distribution per unit of sales = CO_2 emissions during distribution / Consolidated net sales

In FY2014, CO_2 emissions during distribution stood at 48 kilotons CO_{2e} and increased 8.8% compared to the previous fiscal year. However, CO_2 emissions during distribution per unit of sales decreased 12.7% owing to greater transportation efficiency from mixed cargo and the promotion of modal shift. (See page 62 for details.)

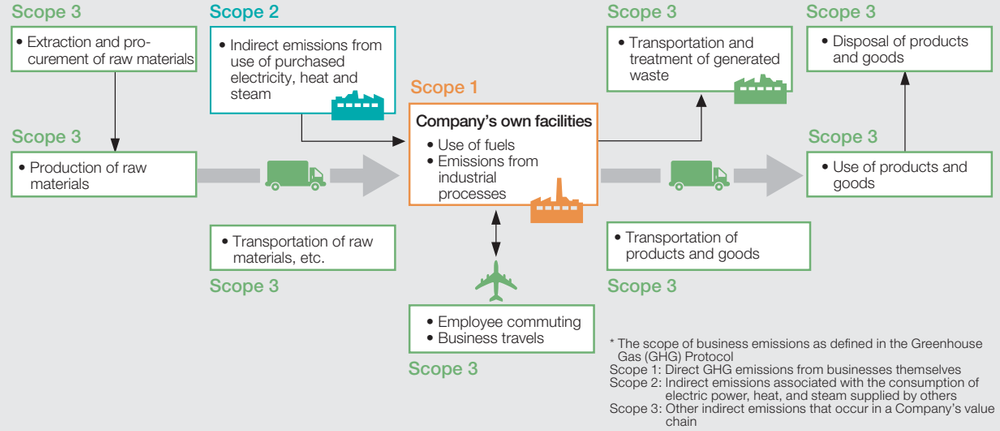
Greenhouse Gas Emissions throughout Value Chain

The KUBOTA Group makes concerted efforts to figure out greenhouse gas emissions throughout our value chain in addition to our business sites. Based on guidelines* issued by the Japanese Ministry of the Environment, the KUBOTA Group calculates greenhouse gas emissions based on Scope 1, Scope 2 and Scope 3, and continues to expand the scope of our calculation of greenhouse gas emissions.

* Basic guidelines for calculating greenhouse gas emissions in supply chains

Classification		Scope of calculation	CO_2 emissions (kilotons CO_{2e})
KUBOTA emissions	Direct emissions (Scope 1)	Use of fossil fuels	319
		Non-energy-related greenhouse gas emissions	6
	Indirect emissions (Scope 2)	Purchased electricity use	338
Upstream and downstream emissions	Other indirect emissions (Scope 3)	Extraction, production and transportation of fuels for generation of electricity used	24
		Disposal of waste emitted from bases	17
		Employee business trips	5
		Transportation of products and waste	48

Example Activities of Each Scope



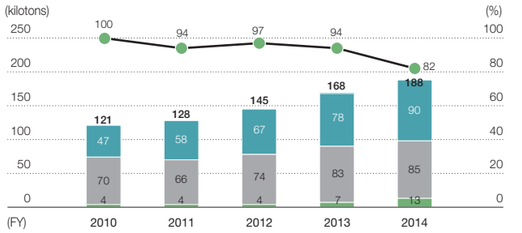
* The scope of business emissions as defined in the Greenhouse Gas (GHG) Protocol
Scope 1: Direct GHG emissions from businesses themselves
Scope 2: Indirect emissions associated with the consumption of electric power, heat, and steam supplied by others
Scope 3: Other indirect emissions that occur in a Company's value chain

Working towards a Recycling-based Society—Promotion of 3Rs

Resource depletion and insufficient space for landfill are just a few of the problems faced by a society based on mass production, mass consumption, and mass disposal. The KUBOTA Group makes every effort to reduce resources needed in our business activities and effectively use the resources we do need, while reducing waste and recycling resources.

Wastes from Business Sites

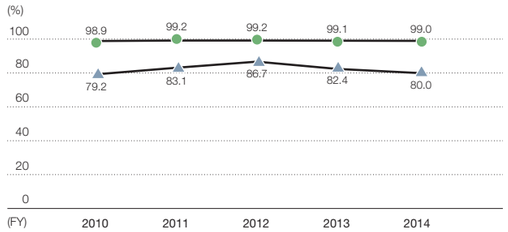
Trends in waste, etc. discharge (including valuable resources) and waste discharge per unit of sales



Volume of valuable resources
Resource recycling and volume reduction
Landfill disposal*1
Discharge per unit of sales (compared to FY2010)*2

*1. Landfill disposal = Direct landfill disposal + Final landfill disposal following intermediate treatment
*2. Waste Discharge per unit of sales = Waste discharge / Consolidated net sales
Waste discharge volume = resource recycling and volume reduction + landfill disposal
* Volume of valuable resources for FY2013 was revised to improve accuracy.

Trends in recycling ratio

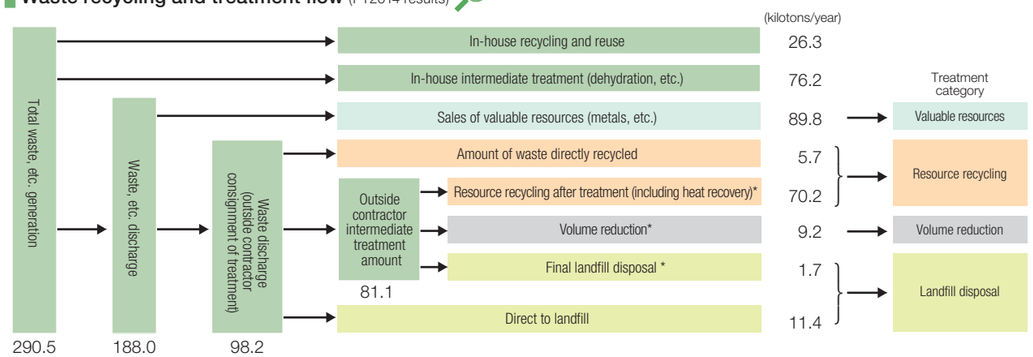


Recycling ratio (in Japan)
Recycling ratio (overseas)

Starting in FY2014, heat recovery is included in external recycling volume. The resulting difference compared with the previous method that did not include heat recovery is minor.

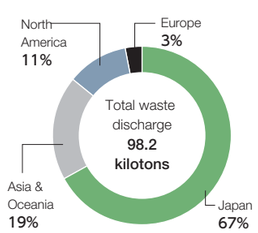
In FY2014, waste discharge amount was 98 kilotons, an increase of 8.9% from the previous fiscal year. However, waste discharge amount per unit of sales was reduced by 12.8%, reflecting higher consolidated net sales and cuts in the volume of effluent discharged due to the installation of wastewater treatment systems at an overseas business site.

Waste recycling and treatment flow (FY2014 results)



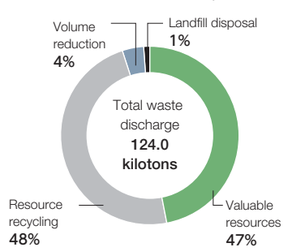
* The amounts of resource recycling after treatment, volume reduction, and final landfill disposal were the results of surveys conducted by outside intermediate treatment companies.

Waste discharge by region
(FY2014 Results)

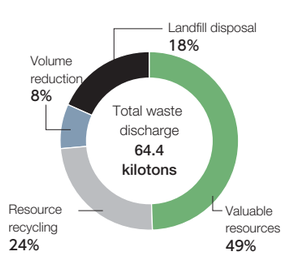


Amount of waste, etc. discharge by treatment category (FY2014 Results)

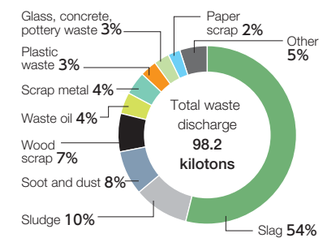
Business sites in Japan



Overseas business sites

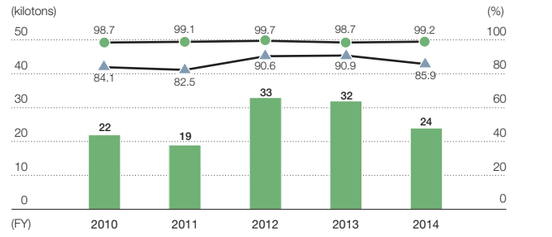


Amount of waste discharge by type
(FY2014 Results)



Waste generated from Construction Work

Trends in the amount construction waste, etc. discharge and recycling ratio (Business sites in Japan)



Amount of construction waste, etc. discharge
Recycling rate (Specific construction materials)*
Recycling rate (Including construction waste other than specific construction materials)*

* Recycling rate =[sales of valuable resources + resource recycling + volume reduction (heat recovery)]/ amount of construction waste, etc. discharge (including sales of valuable resources) x 100 (%)

Handling and Storage of Equipment Containing PCBs

Transformers, capacitors and other equipment containing polychlorinated biphenyls (PCBs) are properly delivered, stored and handled based on the Japanese Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes. Equipment containing PCBs are being disposed of steadily, being with sites for which acceptance at PCBs treatment facilities are available.

Equipment containing PCBs are locked in storage, periodically inspected, and environmentally audited as part of a thorough management system. We plan to properly process these wastes by the treatment deadline of March 2027.

Voice Working to Reduce Waste with Dehydrators (KUBOTA Runfil)

At the KUBOTA Hanshin Plant in Mukogawa, sludge water generated from the wastewater processing facility at the plant is dehydrated to reduce its volume. The introduction of the KUBOTA Runfil dehydrator in April 2012 has successfully reduced the volume of the sludge water, cutting the total volume by 10% and reducing the water content of residual sludge from 63% to 59%. KUBOTA Runfil is also easier to maintain and manage because its high-speed processing reduces the frequency of operations. We are trying to contribute to the environment through the volume reduction in sludge water and reductions in energy use from lower operating frequency.

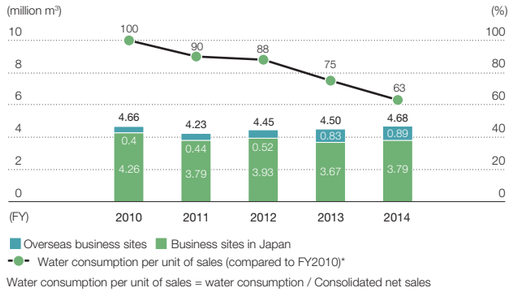
* In July 2013, KUBOTA Runfil won the Japanese Minister of Economy, Trade and Industry Prize in the 39th Excellent Environmental Equipment Awards sponsored by the Japan Society of Industrial Machinery Manufacturers. The award recognized the successful development of innovative methods and the considerable reduction of time required to exchange filter cloth and perform other maintenance duties commonly associated with filter presses.

Hanshin Plant, KUBOTA Corporation
(From left)
Yasuhiro Nakaya (supervisor), Yasutaka Kamata, Tetsuo Kuroyama (foreman), Makoto Kaminogoya, Yasuhiro Fukuda (group leader)

Working towards a Recycling-based Society —Conservation of Water Resources

The Organization for Economic Cooperation and Development (OECD) has reported that more than 40% of the world's population will live near river basins with severe water shortages by 2050. The KUBOTA Group aims to effectively use water resources by promoting the recycle of wastewater.

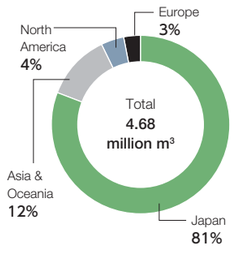
Trends in total water consumption and consumption per unit of sales



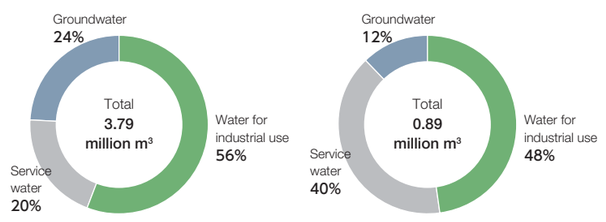
Water consumption per unit of sales = water consumption / Consolidated net sales

In FY2014, the KUBOTA Group's water consumption amounted to 4.68 million m³, an increase of 4.0% from the previous fiscal year. However, water consumption per unit of sales was reduced by 16.5% owing to successful efforts to conserve water and recycle wastewater, and higher consolidated net sales.

Total water consumption by region (FY2014 Results)



Total water consumption by type (FY2014 Results)



Voice Wastewater Recycling with Membrane Treatment Facilities

Wastewater processing facilities at Kubota Agricultural Machinery (Suzhou) Co., Ltd. process residential and industrial wastewater with the original KUBOTA wastewater recycling system comprising membrane bioreactors, activated carbon filter and reverse osmosis membrane treatment. After being treated, this recycled water is reused in production processes. The facility can process about 180 tons of wastewater per day, 40% of which becomes recycled water. The recycled water is used for cleaning parts before coatings and to supply boilers. Wastewater recycling helps prevent water shortages and pollution of the Yangtze River, where discharged water leads.

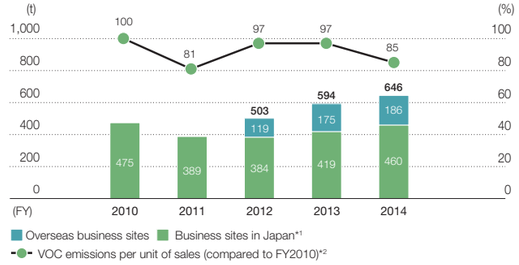
Kubota Agricultural Machinery (SUZHOU) Co., Ltd.

Production Engineering Division
Kubota Agricultural Machinery (SUZHOU) Co., Ltd.
Zhu Zhiqiang

Controlling Chemical Substances

International frameworks are being created to minimize the adverse effects of chemical substances on human health and the environment. The KUBOTA Group appropriately controls chemical substances while striving to meet reduction targets.

Trends in VOC emissions and emissions per unit of sales

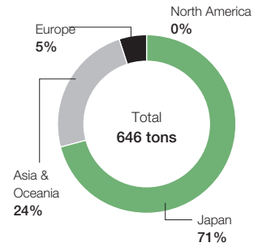


In FY2014, VOC emissions totaled 646 tons, a year-on-year increase of 8.6%. However, VOC emissions per unit of sales were reduced by 12.8%, reflecting better coating efficiency and higher consolidated net sales.

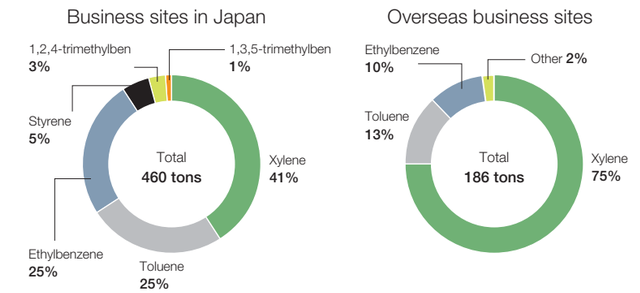
*1 Starting in FY2014, VOC emissions at production sites in Japan cover the six substances that account for the highest ratio of emissions by the KUBOTA Group: xylene, toluene, ethylbenzene, styrene, 1,2,4-trimethylbenzene, and 1,3,5-trimethylbenzene. VOC emissions for FY2013 have been retroactively adjusted to reflect this change. VOC emissions for FY2013 and FY2014 do not change much when including substances other than the six above.

*2 VOC emissions per unit of sales = VOC emissions / consolidated net sales

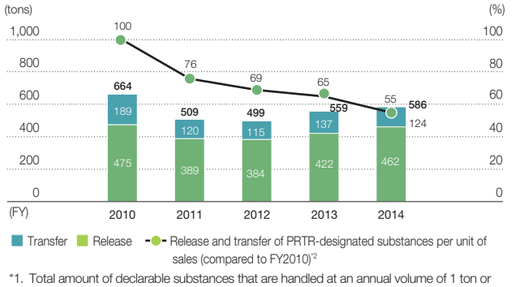
VOC emissions by region (FY2014 Results)



VOC emissions by substance (FY2014 Results)



Trends in release and transfer of PRTR-designated substances*1, release and transfer per unit of sales



*1. Total amount of declarable substances that are handled at an annual volume of 1 ton or more (0.5 ton or more for Specific Class I designations) at each site (Group production sites in Japan)

*2. Release and transfer of PRTR-designated substances per unit of sales =Total release and transfer / Consolidated net sales

Release and transfer of PRTR-designated substances was 586 tons in FY2014, up 4.9% from the previous fiscal year, but reduced by 15.9% on a release and transfer per unit of sales basis.

Groundwater monitoring (FY2014)

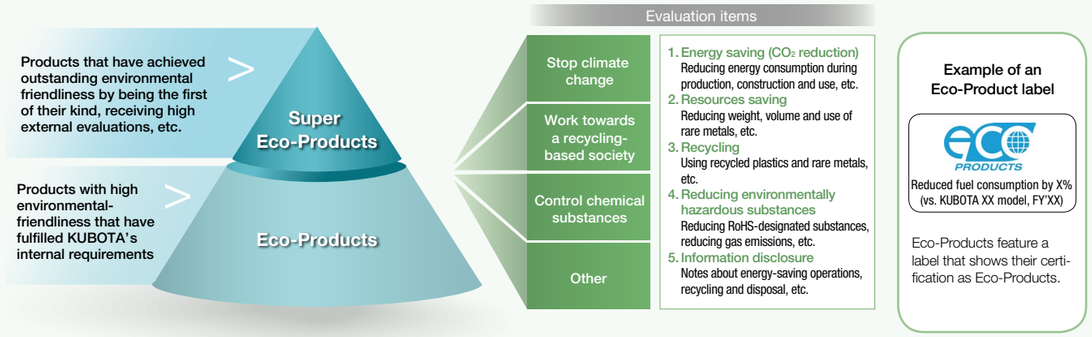
Results of groundwater measurements conducted on the premises of the business sites that used organic chlorine-based compounds in the past are as shown below.

Business site	Substance	Measured groundwater value	Environmental standard
Tsukuba Plant	Trichloroethylene	Non detected (Less than 0.0001mg/L)	Less than 0.03 mg/L
Utsunomiya Plant	Trichloroethylene	Non detected (Less than 0.001mg/L)	Less than 0.03 mg/L

Expanding Lineup of Environmentally Friendly Products

Based on the Eco-Products Certification System, an in-house certification of the environmental friendliness of products, the Group certified 35 Eco-Products in FY2014. We will continue to focus on reducing environmental impacts throughout the life cycle of its products.

Internal certification system for Eco-Products



Example of an Eco-Product label

ECO PRODUCTS
Reduced fuel consumption by X% (vs. KUBOTA XX model, FY'XX)

Eco-Products feature a label that shows their certification as Eco-Products.

Products Certified as Eco-Products in FY2014 (excerpt)

Energy Conservation
Compliant with Exhaust Gas Regulations

Mini backhoe
KX040-4 (North America)

Rice transplanter
WELSTAR RACWELα ZP67 ,etc. (Japan)

Energy Conservation

Compact color sorting equipment
KG-S071

Rice milling equipment sheds
K-CR512CS

Can and PET bottle vending machine
R1234yf refrigerant: 36 selections
CO_2 refrigerant: 42 selections

Compact heat pump air conditioners
EJ-250-DT-HP, etc.

Compliant with Exhaust Gas Regulations

Tractors
GLOBE M135G, etc. (Japan, North America, Europe)

Combine harvester
DYNAMAX REVO ER6120, etc. (Japan)

Compact tracked loader
SVL90-2 (North America)

Diesel engines
V6108-E4 series, etc. (Japan, North America, Europe)

Longer Service Lives

GENEX soft-seal valves
SX-G, SY-G

Rolls for steel mills
V-type KS roll

Voice Energy Conservation in Agriculture from New Technique for Direct Sowing Iron-Coated Seeds

Rice Transplanters Technology Division, KUBOTA Corporation
(From right) **Team leader Kunimitsu Makihara, Taro Nakamura**

Although mechanization has reduced overall labor hours, the time that it takes to raise seedlings remains a major obstacle to shortening the time required to plant rice fields. In 2005, the KUBOTA Group began working on a new technique for direct sowing iron-coated seeds with customers of Niigata-Kubota Corporation. In 2010, KUBOTA launched Testumakichan as an implement for multi-purpose rice transplanters for sowing iron-coated seeds with high precision. Thereafter, KUBOTA also developed specialized equipment for sowing iron-coated seeds.

The direct sowing of iron-coated seeds is a technique for sowing seeds coated with iron powder in a cultivated field. Compared with the transplant cultivation method, this technique eliminates the energy expended at rice seedling nurseries and reduces the labor time associated with raising seedlings and transplanting these seedlings to fields. The iron coating is less harmful than conventional coatings (oxygen generating agents) and allows work volume to be leveled out because the iron-coated seeds can be stored over long periods. The direct sowing of iron-coated seeds substantially reduces man hours by allowing work to be performed simultaneously and at high speed on the sowing of spaced seeds, fertilization, herbicide application and soil grooving. It is possible to reduce man hours per 10 ares by roughly 60% and production costs by about 36%.*

Direct seeder for iron-coated rice seeds (WELSTAR WORLD WP60D-TC)

To encourage the widespread adoption of direct sowing of iron-coated seeds, it is necessary to improve performance and keep prices low for farmers. The six-row direct seeder for iron-coated rice seeds launched in 2013 features a new and improved layout and lower costs.

The KUBOTA Group has also provided direct seeder for iron-coated rice seeds as reconstruction assistance for customers that lost their seedling nurseries in the Great East Japan Earthquake.

To promote the adoption of direct sowing of iron-coated seeds even further, KUBOTA is developing machinery tailored to customer needs in our aim of contributing to the realization of labor-saving, low-cost agriculture and larger-scale farming.

* Sources: Man hours and production costs for rice transplantation based on 2009 Niigata Agriculture, Forestry and Fisheries Annual Statistics.
Man hours and production costs for the direct sowing of iron-coated seeds based on 2009 National Agricultural Systemization Research Association.

Voice Palm Oil Mill Effluent Processing Helps Prevent Global Warming and Water Pollution

Biogas PT
Water & Environment Business Promotion Headquarters
KUBOTA Corporation
Seiji Kato

Malaysia and Indonesia have many palm oil production plants, and post-extraction effluent used to be dumped into open lagoons. However, this mill effluent released methane (a greenhouse gas) into the atmosphere and polluted neighboring water resources through runoff.

KUBOTA was able to realize the following three outcomes by introducing water treatment technologies that use our membranes and membrane-type methane fermentation technologies it accumulated processing sewage and food waste in Japan.

- Zero emissions of methane gas that had been released into the atmosphere
- Biogas generated by the mill effluent can be reliably extracted in high concentration and reused as fuel

(* Biogas fuel is a form of renewable energy derived from plants.)

- After biogas is collected, the mill effluent is processed to stringent wastewater standards

The first mill effluent processing facility installed in Malaysia has the capacity to recover 26 thousand cubic meters of biogas per day, which is used as fuel at an adjacent plant. This is equivalent to 5.7 million m^3 of natural gas fuel annually, cutting CO_2-equivalent emissions by 85 thousand tons annually.

As this was our first project developed overseas on a fairly large scale, we had some problems that were not encountered with the prototype in Japan, so it was a relief when construction on the facility was completed and safely handed over to the customer in March 2014.

The KUBOTA Group will continue to help solve environmental issues in Southeast Asia by aiming to expand the use of palm oil mill effluent processing facilities. In addition to palm oil mill effluent, we aim to find solutions to other environmental problems, such as growing demand for water and water pollution, in the upstream and downstream water treatment business.

First palm oil mill effluent processing facility in Malaysia (for BBC Biogas)
External view of membrane-type methane fermentation facility

Conservation of Biodiversity

Conservation of biodiversity is set as one of the targets for the KUBOTA Group's "Eco-First Commitment."
In its business activities and social contribution initiatives, the Group endeavoring to ensure that care is taken to conserve biodiversity and protect the natural environment.

Relationships between the KUBOTA Group and biodiversity

Management and reduction of environmental loads involved in its business activities

In each stage of business activities, the KUBOTA Group reduces environmental loads and consider its influence on biodiversity.

Input (resources)	Business activities/product life-cycles	Output (environmental loads)	Impact on biodiversity (issues to be considered)
Raw materials, sub-materials, water resources, energy sources	Design, procurement, manufacturing, logistics, use of products, maintenance, disposal	CO_2 emissions, wastewater, waste, noise, etc.	Excessive consumption of resources, loss of habitats due to climate change or pollution, transfer of exotic species
Land use: Construction of business sites, etc.	Control of pollution of the air, water bodies and soil		

Impact reduction and environmental contributions through its businesses (products/services)

The KUBOTA Group reduces environmental impacts of its business activities, and contribute to conservation of ecosystems.

Business fields		
Food, water and the environment	Environmental loads due to product use, etc.	CO_2 emissions, exhaust gas, waste, noise, vibration, etc.
	Contributions to conservation of ecosystems	Water treatment business (conservation of water bodies), agricultural machinery business (conserving ecosystems by rice transplanters with a pesticide-reduction function and low-emission engines; improving agricultural crop yields)

Symbiosis with the natural environment through social contribution initiatives

As a corporate citizen, the KUBOTA Group devotes efforts to preserving the natural environment.

KUBOTA e-Project (supporting reclamation of abandoned farmland), KUBOTA e-Day (environmental beautification volunteers), Planting trees and installing biotopes on the grounds of business sites, etc.

Action Report

KUBOTA Hanshin Plant

Participation in Amagasaki 21st Century Afforestation Project

At the Hanshin Plant, we participate in the Amagasaki 21st Century Afforestation Project* by growing tree saplings at the plant for the prefecture. The tree saplings tended to by our employees grew bigger and bigger, and in early March 2014, they were transplanted to the main pasture of Amagasaki forest near the plant by employees of the plant and by representatives of the Amagasaki Port Administration Office of Hyogo Prefecture. We have received new tree saplings to raise and plan to transplant them next spring. We will continue activities like this that leave a good impression on our customers and communities.

* Hyogo Prefecture started this public-private project in March 2002 with the objective of fostering communities in harmony with the environment by creating water resources and abundant greenery along the Amagasaki waterfront area. In the industrial area of Amagasaki, project participants are planting trees that will become a forest 100 years from now. The project aims to add greenery to industrial sites and surrounding areas, promote the use of canals, and children's environmental education.

P.T. Kubota Indonesia

Tree Planting to Commemorate 40th Anniversary

To commemorate its 40th anniversary in FY2014, P.T. Kubota Indonesia held a joint tree planting event with students in the region. On May 16, a total of 200 employees and students from Diponegoro University who are studying environmental engineering worked together to plant 1,972 mangrove trees to reflect the year that Kubota Indonesia was founded, along the Morosari coastline of Demak city.

On June 21, a total of 200 employees and students from Semarang State University planted 1,972 tanjong trees in a tree planting event held on the slopes of Mt. Ledek near Semarang City. P.T. Kubota Indonesia will continue to contribute to the preservation of the natural environment in the region.

Environmental Management

The KUBOTA Group aims to enhance its risk management activities and strengthen our environmental management structure, including at overseas business sites.

Compliance with Environmental Laws and Regulations

To ensure compliance with environmental laws, the KUBOTA Group has set and thoroughly manages its own control values at each of its bases for exhaust gas, wastewater, noise, vibration and other variables that are stricter than the relevant laws and regulations.

Environmental audits conducted in FY2014 did not reveal any serious violations of environmental laws and regulations at Group companies.

Environmental Auditing

Each year environmental audits are conducted by the KUBOTA Environmental Protection Department, based on the internal control system of the KUBOTA Group.

Audits in FY2014 were conducted by means of paper audits and field audits with factors that have the potential to cause environmental accidents listed as priority checklist items, focusing on production sites, service sites, offices and construction departments in Japan as well as overseas production sites.

Also, at production sites in Japan and overseas, in addition to environmental audits conducted by the Environmental Protection Department, internal environmental audits are also implemented by the staff of each site with the aim of raising the level of environmental management.

■ FY2014 Environmental audit implementation status
[Number of subject sites and departments]
201 sites and departments
[Number of audit items]
99 items (for production sites in Japan)
[Audit details]
- **Water & Air quality management**
- **Noise & Vibration management**
- **Waste material & Chemical substance management**
- **Climate change prevention**
- **Response to abnormalities and emergencies**
- **Environmental management system**
- **Reduction of environmental load**

Audit of overseas production site SIAM KUBOTA Technology Co., Ltd.

Audit of business site in Japan
Keiyo Plant (Funabashi), KUBOTA Corporation

Drills for responding to abnormal and emergency situations

The KUBOTA Group is making efforts to identify and minimize the environmental risks associated with its business activities. It carries out regular training based on the procedures established to respond to specific risks at each site to mitigate the impact on the ambient environment in case of an environmental accident.

Drainage outlet blockage training KUBOTA Vending Services Co., Ltd.

Effluent recovery training
Shinyodogawa Environmental Plant Center, KUBOTA Corporation

Environmental Education

The KUBOTA Group provides environmental training and education to our employees around the world. The education program for employees consists of rank-based training, professional training, and general training. KUBOTA assists external group's environmental education programs.

Results of environmental education in FY2014

Classification	Course title	Frequency	No. of participants	Course descriptions
Education by employee-level	Training for new recruits	2	178	Environmental issues and KUBOTA's environmental conservation activities
	Training for employees promoted to managerial positions	2	104	The KUBOTA Group's environmental management
	Training for newly appointed foremen	3	22	KUBOTA's environmental management and efforts as foremen
	Training for newly appointed supervisors	1	44	KUBOTA's environmental management and efforts as supervisors
	CSR training (Employees of "creative" personnel who have worked for nine years)	2	76	Environmental issues and environmental risk management
Professional education	Basics of environmental management education	1	17	Basic knowledge of legal systems, environmental risk, and environmental conservation
	Pollution prevention technology education	1	16	Pollution control technology and pollution control laws
	Energy saving technology education	1	6	Energy saving technology, energy saving laws
	Waste management education	2	45	Waste Management and Public Cleansing Law, practical training in consignment contracts and manifests, etc.
	New waste management system training	12	59	Waste management using ICT systems
	Education to train ISO 14001 environmental auditors	2	30	The ISO 14001 standard, environment-related laws, audit techniques
General training	Overseas production sites Environmental education	15	156	The KUBOTA Group's environmental management and medium-term environmental conservation targets
	Business sites in Japan Environmental education	1	28	The KUBOTA Group's environmental management and environmental risk management
	Total	45	781	
Support to education in outside organizations	Internship program with Utsunomiya Hakuyo High School	1	4	KUBOTA's environmental conservation activities and efforts at Utsunomiya Plant

Environmental education (SIAM KUBOTA Corporation Co., Ltd.)

Waste management education

Report on the Month for the Environment — Thailand

SIAM KUBOTA Metal Technology

Month for the Environment activities are held in June every year. This year, as a part of environmental education, employees visited regional elementary and junior high schools, cleaned areas around the schools, and taught students how to separate and reduce trash. A total of 260 people participated, creating an opportunity to interact with local children in Thailand and think about the environment.

KUBOTA Engine (Thailand)

In July, CSR and Environment Day was held. Around 50 employees including the plant manager and 20 locals participated, visiting local town schools to plant trees and clean the area. We spent valuable time with local villagers, awarded scholarships, and donated sporting goods to children.

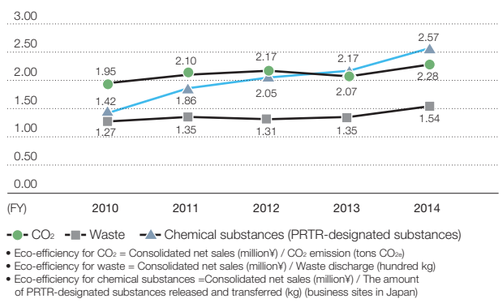
Trends in Major Environmental Indicators (Trends in the last five year)

Indicators listed on pages 45 and 46

Environmental indicators				Unit	FY2010	FY2011	FY2012	FY2013	FY2014
INPUT	Total energy input*3			TJ	9,195	9,235	9,646	11,320	12,150
		Fossil fuel*3		TJ	3,695	3,535	3,726	4,370	4,660
		Purchased electricity		MWh	503,400	523,490	543,100	642,400	690,600
		Transportation fuel (business sites in Japan)		TJ	561	564	587	641	695
	Water consumption			million m^3	4.66	4.23	4.45	4.50	4.68
		Overseas business sites included in the above		million m^3	0.4	0.44	0.52	0.83	0.89
		Service water		million m^3	0.93	0.86	0.87	1.03	1.10
		Water for industrial use		million m^3	2.69	2.36	2.56	2.46	2.56
		Groundwater		million m^3	1.04	1.01	1.02	1.01	1.02
	Amount of PRTR-designated substances handled (business sites in Japan)			tons	5,507	5,277	5,321	5,667	5,839
	Amount of chemical substances handled (overseas business sites)			tons	—	2,667	4,488	4,138	5,623
OUTPUT	CO_2 emissions*3			kilotons CO_{2e}	483	451	471	585	663
		Overseas business sites included in the above*3		kilotons CO_{2e}	69	76	93	135	172
		Energy sources*3		kilotons CO_{2e}	475	445	465	579	657
		Other than the above		kilotons CO_{2e}	8	6	6	6	6
	Distribution CO_2 (business sites in Japan)			kilotons CO_{2e}	39	39	40	44	48
	Atmospheric discharge	SOx emissions*1		tons	3.8	5.2	2.9	6.6	17.6
		NOx emissions*1		tons	49.5	66.1	61.7	64.3	79.6
		Soot and dust emissions*1		tons	3.8	5.5	6.4	5.7	9.2
		Amount of PRTR-designated substances released (business sites in Japan)		tons	475	389	384	422	462
			VOC (included in the above)*4	tons	475	389	384	419	460
		Amount of chemical substances released (overseas business sites)		tons	—	81	119	211	230
			VOC (included in the above)	tons	—	—	119	175	186
	Water system discharge	Public water areas	Wastewater discharge	million m^3	3.86	3.78	3.82	3.48	3.82
			COD*2 (business sites in Japan)	tons	9.5	10.6	11.9	10.4	10.9
			Nitrogen discharge*2 (business sites in Japan)	tons	9.7	9.5	10.2	9.7	9.1
			Phosphorous discharge*2 (business sites in Japan)	tons	0.25	0.35	0.29	0.3	0.35
			Amount of PRTR-designated substances released (business sites in Japan)	kg	33	35	40	9	8.4
		Sewage lines	Wastewater discharge	million m^3	0.99	0.94	1.01	1.34	1.23
			Amount of PRTR-designated substances released (business sites in Japan)	kg	20	21	20	20	21
	Waste	Amount of waste discharge		kilotons	74.3	70	78.2	89.7	98.2
			Overseas business sites included in the above	kilotons	9.9	10.2	14.5	25.4	32.6
		Landfill waste		kilotons	3.9	4.3	4.1	7.2	13.1
	Amount of construction waste, etc. discharge (business sites in Japan)			kilotons	21.5	18.9	32.7	31.8	23.8

*1 Data for overseas business sites is included from FY2011 onwards. *2 Data for total discharge from business sites subject to total emission control.
*3 Figures of fossil fuel and energy sources from FY2010 to FY2013 were revised to improve accuracy.
*4 As shown in *1 of the graph of VOC emissions and emissions per unit of sales on page 52.

Eco-efficiency



- Eco-efficiency for CO_2 = Consolidated net sales (million¥) / CO_2 emission (tons CO_{2e})
- Eco-efficiency for waste = Consolidated net sales (million¥) / Waste discharge (hundred kg)
- Eco-efficiency for chemical substances =Consolidated net sales (million¥) / The amount of PRTR-designated substances released and transferred (kg) (business sites in Japan)

Eco-efficiency improved in all three categories comprising CO_2 emissions, waste emissions, and chemical substances. The KUBOTA Group will step up efforts at environmental conservation to continue improving eco-efficiency.

How to read the graph

The improvement of the figures means that the sales per unit of environmental load have increased, which is considered to indicate higher eco-efficiency.

Status of Environmental Management System Certification Acquisition
(ISO 14001 and EMAS)

The KUBOTA Group's production sites are preparing to acquire external certification for their environmental management systems. In FY2014, two production sites in China obtained ISO 14001 certification.

[I] ISO 14001 Certification

KUBOTA in Japan

No	Name	Other included organizations and subsidiaries	Main business	Inspecting/ Certifying organ	Date of certification
1	Tsukuba Plant	• Eastern Main Parts Center • KUBOTA F.I.M. Service Ltd. KS Tsukuba Training Center • Kanto Kubota Precision Machinery Co.,Ltd.	Engines, tractors, etc.	LRQA	November 28, 1997
2	Keiyo Plant	• Distribution Center	Ductile iron pipes, spiral welded steel pipes	LRQA	July 16, 1998
3	Ryugasaki Plant	• KUBOTA Vending Service Co., Ltd. Ryugasaki Plant • KUBOTA Kanto Vender Center Inc. Ryugasaki Plant	Vending machines	DNV	November 13, 1998
4	Hanshin Plant	• Marushima Factory	Ductile iron pipes, rolls, potassium titanate, KUBOTA TXAX products	LRQA	March 5, 1999
5	Kyuhoji Business Center	• KUBOTA Environmental Service Co., Ltd • KUBOTA Membrane Corp. • KUBOTA Keiso Corp.	Measuring instruments, measuring systems, CAD systems, rice-milling products, waste shredder systems, submerged membranes, and mold temperature controllers	DNV	March 19, 1999
6	Hirakata Plant		Valves, cast steel, new ceramic materials, and construction machinery	LRQA	September 17, 1999
7	Okajima Business Center		Industrial cast iron products, drainage pipes, and other cast iron products	JICQA	December 22, 1999
8	Sakai Plant/Sakai Rinkai Plant		Engines, tractors, small-size construction machinery, etc.	LRQA	March 10, 2000
9	Shiga Plant		FRP products	JUSE	May 18, 2000
10	Water Engineering & Solution Business Unit	• Shin-yodogawa Environmental Plant Center	Sewage & sludge water purification, waste water treatment facilities	LRQA	July 14, 2000
11	Pumps Business Unit	• KUBOTA Kiko Ltd.	Sewage & water purification plants, pumps and pump stations	LRQA	July 14, 2000
12	Water Engineering & Solution Business Unit (membrane filtration system)		Filtration membrane unit	LRQA	July 14, 2000
13	Utsunomiya Plant	• KUBOTA F.I.M. Service Ltd. KS Utsunomiya Training Center	Rice transplanters and combine harvesters	LRQA	December 8, 2000

KUBOTA Group: Companies in Japan

No	Name	Other included organizations and subsidiaries	Main business	Inspecting/ Certifying organ	Date of certification
1	Nippon Plastic Industry Co., Ltd.	• Head office and plant, Mino Plant	Plastic pipes, plastic sheets, etc.	JSA	October 27, 2000
2	KUBOTA Construction Co., Ltd.		Design and construction of civil engineering structures and buildings	JQA	December 22, 2000
3	KUBOTA Environmental Service Co., Ltd.		Installation, maintenance and management of environmental systems for service water, sewage, landfill disposal, raw waste and waste plants, etc. and services	MSA	November 20, 2002
4	KUBOTA-C.I. Co., Ltd.	• Tochigi Plant • Sakai Plant • Odawara Plant • Kyushu KUBOTA Chemical Co., Ltd.	Plastic pipes and couplings	JUSE	March 27, 2003 (integrated authentication in 2011)
5	KUBOTA Air Conditioner Co., Ltd.	• Tochigi Plant	Central air conditioning systems	JQA	August 27, 2004
6	KUBOTA Precision Machinery Co., Ltd.		Hydraulic valves, hydraulic cylinders, transmissions, hydraulic pumps, hydraulic motors, etc.	LRQA	March 17, 2007
7	KUBOTA KASUI Corporation		Design, construction and maintenance management of environmental conservation facilities	BCJ	February 1, 2010

KUBOTA Group: Overseas companies

No	Name	Main business	Inspecting/ Certifying organ	Date of certification
1	SIAM KUBOTA Corporation Co.,Ltd. (Navanakorn, Thailand)	Small diesel engines and agricultural machinery	MASCI	February 28, 2003
2	P.T. Kubota Indonesia(Indonesia)	Diesel engines and agricultural machinery	LRQA	February 10, 2006
3	Kubota Materials Canada Corporation (Canada)	Cast steel products	SGS (U.S.)	June 15, 2006
4	P.T.Metec Semarang (Indonesia)	Vending Machines	TÜV	March 16, 2011
5	Kubota Precision Machinery (Thailand) Co.,Ltd. (Thailand)	Equipment for tractors	SGS	August 27, 2012
6	Kubota Manufacturing of America Corporation (U.S.)	Small-sized tractors, mowers, Utility Vehicles and tractor implements	BSI	September 20, 2012
7	SIAM KUBOTA Corporation Co.,Ltd. (Amata Nakorn, Thailand)	Tractors and combine harvesters	BV	September 27, 2012
8	Kubota Industrial Equipment Corporation (U.S.)	Tractor implements and tractors	DEKRA	November 28, 2012
9	KUBOTA SANLIAN PUMP (ANHUI) Co., Ltd. (China)	Pumps	CCSC	May 29, 2013
10	Kubota Agricultural Machinery (SUZHOU) Co., Ltd. (China)	Combine harvesters, rice transplanters and tractors	SGS	November 13, 2013

LRQA : Lloyd's Register Quality Assurance Limited (U.K.)
DNV : DNV Certification B.V. (Netherlands)
JICQA : JIC Quality Assurance Ltd. (Japan)
JUSE : Union of Japanese Scientists and Engineers ISO Center
JSA : Japanese Standards Association
JQA : Japan Quality Assurance Organization
MSA : Management System Assessment Center (Japan)
JCQA : Japan Chemical Quality Assurance Ltd.
BCJ : The Building Center of Japan
MASCI : Management System Certification Institute (Thailand)
SGS (U.S.) : Systems & Services Certification, a Division of SGS North America Inc.(U.S.)
TÜV : TÜV Rheinland Cert GmbH (Germany)
SGS : SGS United Kingdom Limited (U.K.)
BSI : BSI Assurance UK Limited (U.K.)
BV : Bureau Veritas Certification Holding SAS—UK Branch (U.K.)
DEKRA : DEKRA Certification, Inc. (U.S.)
CCSC : China Classification Society Certification Company (China)

[II] EMAS certification

KUBOTA Group: Overseas companies

No	Name	Main business	Inspecting/ Certifying organ	Date of certification
1	Kubota Baumaschinen GmbH (Germany)	Construction Machinery	IHK	January 3, 2013

IHK: Industrie- und Handelskammer für die Pfalz (Germany)

Information related to Controlling Chemical Substance

FY2014 results of PRTR reporting (production sites in Japan)

Number specified in Cabinet Order	Chemical substance	Releases				Transfers	
		Atmosphere	Public water areas	Soil	On-site landfills	Sewerage	Transfers to off-site
1	Water-soluble zinc compounds	0.0	8.4	0.0	0.0	21	1,257
53	Ethylbenzene	113,976	0.0	0.0	0.0	0.0	24,257
71	Ferric chloride	0.0	0.0	0.0	0.0	0.0	0.0
80	Xylene	190,723	0.0	0.0	0.0	0.0	36,590
87	Chromium and chromium (III) compounds	0.0	0.0	0.0	0.0	0.0	3,601
132	Cobalt and its compounds	0.0	0.0	0.0	0.0	0.0	3.7
188	N,N-Dicyclohexylamine	0.0	0.0	0.0	0.0	0.0	1,139
239	Organic tin compounds	0.0	0.0	0.0	0.0	0.0	14
240	Styrene	25,442	0.0	0.0	0.0	0.0	0.0
243	Dioxins	0.0094	0.0	0.0	0.0	0.0	0.82
277	Triethylamine	0.0	0.0	0.0	0.0	0.0	0.0
296	1, 2, 4-trimethylbenzene	12,796	0.0	0.0	0.0	0.0	2,566
297	1, 3, 5-trimethylbenzene	2,239	0.0	0.0	0.0	0.0	8.0
300	Toluene	114,987	0.0	0.0	0.0	0.0	20,739
302	Naphthalene	2,031	0.0	0.0	0.0	0.0	0.0
305	Lead compounds	6.6	0.0	0.0	0.0	0.0	6,941
308	Nickel	1.8	0.0	0.0	0.0	0.0	522
309	Nickel compounds	0.0	0.0	0.0	0.0	0.0	508
349	Phenol	0.0	0.0	0.0	0.0	0.0	0.0
354	Di-n-butyl phthalate	0.0	0.0	0.0	0.0	0.0	169
392	n-Hexane	0.0	0.0	0.0	0.0	0.0	0.0
400	Benzene	1.7	0.0	0.0	0.0	0.0	0.0
405	Boron compounds	0.0	0.0	0.0	0.0	0.0	1,859
411	Formaldehyde	179	0.0	0.0	0.0	0.0	0.0
412	Manganese and its compounds	0.0	0.0	0.0	0.0	0.0	23,565
448	Methylenebis (4, 1-phenylene) diisocyanate	0.0	0.0	0.0	0.0	0.0	0.0
453	Molybdenum and its compounds	0.0	0.0	0.0	0.0	0.0	0.0
Total		462,384	8.4	0.0	0.0	21	123,737

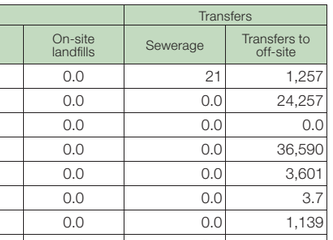
* Total of substances with annual handling volume of one ton or more (0.5 ton or more for Specific Class I Designations) at each business site.
* Unit: kg/year (Dioxins: mg-TEQ/year)
: Volatile Organic Compound (VOC)
: Six VOC substances targeted for reduction in FY2016 Medium-Term Environmental Conservation Targets

Green Procurement

For the purpose of providing products that are friendly to the global and local environment, the KUBOTA Group is seeking to procure products with reduced environmental impacts from eco-friendly suppliers.

In order to effectively promote eco-friendly sourcing activities, the Group presents its policy for green procurement in the KUBOTA Group's Green Procurement Guidelines, to request the understanding and cooperation of suppliers.

Please refer to WEB http://www.kubota-global.net/environment/procure.html for details regarding the KUBOTA Group Green Procurement Guidelines.



KUBOTA Group's Green Procurement Guidelines and Appendix

Reduction of Chemical Substances contained in Products

The KUBOTA Group has set rules for identifying and properly managing chemical substances in products in order to comply with REACH regulations*1 in Europe and other chemical substance regulations. Since FY2011, chemical substances in products have been classified as one of the three following categories and managed appropriately. With cooperation from our suppliers, we investigate chemical substances in products on a global basis.

– Control levels –

1. **Substances to be Prohibited; Should not be contained in products**
2. **Substances to be Restricted; Should not be contained in products under certain conditions and applications**
3. **Substances to be Controlled; Their presence in products should be recognized**

*1 REACH Regulation: EU's Regulation for Registration, Evaluation, Authorisation and Restriction of Chemicals

Environmental Accounting

The KUBOTA Group performs environmental accounting and publicizes data about the cost of investments in environmental conservation and the economic and environmental benefits of these investments.

Environmental conservation costs

(Yen in millions)

Classifications		Main activities	FY2013		FY2014	
			Investment	Expenses	Investment	Expenses
Within the business area cost			722	1,424	679	1,353
	Local environmental conservation cost	Prevention of air and water pollution, soil contamination, noise, vibration, etc.	160	393	377	341
	Global environmental conservation cost	Prevention of climate change	453	217	301	233
	Resource recycling cost	Minimizing waste production, reducing quantity of waste, and recycling	109	814	0.5	779
Upstream and downstream costs		Collection of used products and commercialization of recycled products	0	24	0	30
Management activities cost		Environmental management personnel, ISO maintenance and implementation, environmental information dissemination	4	1,225	2	1,326
R&D cost		R&D for reducing of product environmental load and developing environment conservation equipment	339	5,262	288	6,394
Social activities cost		Local cleanup activities and membership fees and contributions to environmental groups, etc.	0	1	0	1
Environmental remediation cost		Contributions and impositions, etc.	0	200	0	199
Total			1,065	8,136	969	9,303

Total capital investment (including land) for the corresponding period (consolidated data)	51,200
Total R&D costs for the corresponding period	35,600

Environmental conservation effects

Effects	Items	FY2013	FY2014
Environmental effect related to resources input into business activities	Energy consumption (Except for transportation fuel) [units of heat; in terajoules (TJ)]	7,660	7,870
	Water consumption (million m^3)	3.67	3.79
Environmental effect related to waste or environmental impact originating from business activities	CO_2 emissions (Energy related) (kilotons CO_2)	444	485
	SOx emissions (tons)	4.1	16.2
	NOx emissions (tons)	58.0	64.7
	Soot and dust emissions (tons)	3.5	3.4
	Releases and transfers of PRTR-designated substances (tons)	559	586
	Waste discharge (kilotons)	64.3	65.6
	Waste to landfills (kilotons)	1.0	1.2

Economic effects

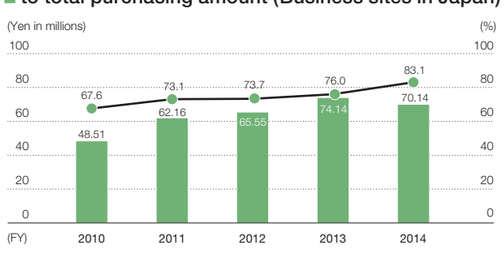
(Yen in millions)

Classifications	Details	Annual effects
Energy conservation measures	Use alternative fuels for production facilities and switch to more efficient lighting and air handling systems	139
Zero-emissions measures	Reduce the amount of industrial waste; promote resource recycling; other	64
	Sales of valuable resources	1,127
Total		1,330

<Environmental accounting principles>
1) The period covered spans from April 1, 2013 to March 31, 2014.
2) The data of business sites in Japan are considered in the calculation.
3) Data was calculated referring to the Environmental Accounting Guidelines 2005, published by Japan's Ministry of the Environment.
4) "Expenses" includes depreciation costs. Depreciation cost was calculated based on the standards applied to KUBOTA's financial accounting, and assets acquired in and after 1998 were considered in the calculation. "Management activities" and "R&D costs" include personnel expenses.
"Resource recycling costs" does not include costs incurred during disposal of construction waste at construction sites.
"R&D costs" represents that which was spent on environmental purposes, calculated on a pro-rata basis.
5) "Economic effects" is obtained only by adding up tangible results and does not include estimated effects.

Green Purchasing

Amount spent on green products and the ratio to total purchasing amount (Business sites in Japan)



We promote Green Purchasing, the prioritization of procured products that have minimal impact on the environment. In FY2014 the ratio of the amount spent on green products to total purchasing amount was 83.1%.

* Starting in FY2014, we reformulated the office supplies subject to Green Purchasing. Toner cartridges and ink cartridges were removed from the calculation of Green Purchasing amounts and ratios. Using the same basis as in FY2013, the amount spent on green products would be ¥84.04 million and the Green Purchasing ratio would be 77.6%.

Receiving Environmental Awards

In FY2014, the KUBOTA Group continued to engage in environmental conservation activities. Some of these environmental activities were recognized with awards from external parties as leading examples of environmental conservation.

KUBOTA Tsukuba Plant: Chairman's Incentive Award in 32nd National Competition for Promotion of Greenery at Factories

In November 2013, the Japan Greenery Research and Development Center presented the Tsukuba Plant with the Chairman's Incentive Award for factories with excellent greenery.

The Tsukuba Plant contributes to the promotion of greenery in the region by maintaining about eight hectares of greenery on the premises of the plant and operating environmental facilities. On the premises, there are grass lawns and tree-lined walkways. These beautiful natural environments offer employees a place to rest as well as a space for communication and recreation. Cherry blossom trees grown on the site where an expansion of the No. 2 plant was planned were transplanted to line the walkway that employees take to work. These trees are a symbol of the plant and blossom every spring.

KUBOTA Corporation & KUBOTA LOGISTICS CORPORATION Minister of Economy, Trade and Industry Award for Green Logistics Partnership's Leading Business Council

In December 2013, KUBOTA Corporation and KUBOTA LOGISTICS CORPORATION were honored with the Japanese Minister of Economy, Trade and Industry(METI) Minister's Award for the Excellent Green Logistics Commendation, sponsored by METI, the Ministry of Land, Infrastructure and Transport, and other entities. The award recognizes the efficient container round use based in inland container terminals for transporting containers, which would be empty during either the loading or backloading process. CO_2 emissions were cut as a result of shortening the distance traveled by the trucks. We also created a model for alleviating chronic congestion on roads around shipping container yards in Tokyo Bay.

KUBOTA Head Office: Mayor's Award for Excellent Waste Reduction Buildings

In November 2013, Osaka City's Environmental Office sponsored the 2013 Excellent Waste Reduction Building Awards at the Abeno-ku Citizens Center in Osaka, Japan. KUBOTA's Head Office Building was awarded the Mayor's Award. Every year, Osaka City conducts on-site inspections of buildings to evaluate the effectiveness of efforts to reduce and recycle waste. Our Head Office building has won the award for more than ten years running, recognized as an excellent building.

This year, the No. 2 building of the Head Office also received the award, for the fifth year straight. We do our best to reduce waste at our offices.

P.T. Kubota Indonesia: Blue PROPER Award

P.T. Kubota Indonesia has received the Blue PROPER Award from the Ministry of Environment of Republic of Indonesia in recognition of its corporate activities over the year beginning in July 2012. The Environmental Performance Rating Program PROPER) is a rating program that Characterized by certain colors operated by the Ministry of the Environment in Indonesia. The PROPER Awards aim to drive companies to comply to environmental regulations and achieve environmental excellence through the integration of sustainable development principles in production and service, the implementation of environmental management systems, 3R (reuse, reduce, recycle) of wastes, energy efficiency, resource conservation, biodiversity protection and conduct ethical business responsibility through community development programs.

P.T. Kubota Indonesia received the Blue PROPER Award in recognition of its proper environmental management system that complies with related laws and regulations.

SIAM KUBOTA Corporation (Amata Nakorn Plant): Green Industry Level 3 Award

SIAM KUBOTA Corporation (Amata Nakorn Plant) has made concerted efforts to reduce waste and water usage. These efforts were recognized in July 2013 with an award from the government of Thailand as an environmentally friendly, clean plant. Out of five levels, the Green Industry Level 3 Award is given when they run a proper operation of an environmental management system.

In addition to these efforts to reduce waste and water consumption, SIAM KUBOTA Corporation is bolstering efforts to cut emissions of CO_2 and VOC with an eye on the Level 5 Award.

In September 2012, SIAM KUBOTA Metal Technology Co., Ltd was recognized by the government of Thailand as an environmentally friendly factory and awarded Level 2 in the Green Industry Project. Going forward, everyone in the company will continue to eagerly work to conserve the environment and pursue a higher rating.

KUBOTA Group Production Sites Data

Data on KUBOTA production sites in Japan (results of FY2014)

Item \ Business site			Hanshin Plant (Mukogawa, Marushima)		Hanshin Plant (Amagasaki)		Keiyo Plant (Funabashi, Distribution Center)		Keiyo Plant (Ichikawa)		Hirakata Plant		Okajima Business Center		Sakai Plant		Sakai Rinkai Plant		Utsunomiya Plant		Tsukuba Plant		Kyuhoji Business Center *4		Ryugasaki Plant *4		Shiga Plant	
INPUT																												
Energy		Unit	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ
	Fossil fuel	Crude oil equivalent kL	18,092	701,259	5,607	217,321	23,838	923,964	100	3,878	5,444	211,027	4,842	187,692	4,100	158,928	3,014	116,818	1,444	55,955	6,306	244,404	277	10,752	241	9,345	575	22,293
	Purchased electricity	MWh	46,235	452,454	32,094	319,981	49,211	479,477	5,392	53,754	44,491	435,388	38,749	376,218	35,512	346,677	16,452	160,368	6,238	61,653	44,873	437,652	2,321	22,787	3,214	32,039	2,548	25,401
	Total	Crude oil equivalent kL	29,766	1,153,713	13,862	537,301	36,209	1,403,440	1,487	57,632	16,677	646,414	14,549	563,910	13,045	505,604	7,151	277,185	3,034	117,608	17,597	682,056	865	33,540	1,068	41,384	1,231	47,694
Water usage		thousand m^3	844		213		1017		12		171		75		120		53		115		216		19		1.2		80	
OUTPUT																												
CO_2 emission	CO_2 emissions from energy sources	tons CO_{2e}	80,064		27,349		107,341		3,081		33,808		38,242		27,412		15,755		6,517		37,260		1,782		1,792		2,421	
Waste	Discharge amount	tons	11,272		4,922		20,828		151		3,889		14,501		1,316		613		454		2,467		143		109		220	
	Recycling ratio	%	99.6		99.9		99.9		99.9		99.9		100.0		99.8		99.7		98.8		99.8		99.5		99.6		98.1	
Exhaust gas*1	Main smoke and soot generating facilities*2		Melting furnaces			Heating furnaces			Melting furnaces				Heating furnaces			Melting furnaces			Drying furnaces				Boilers			Boilers				Boilers		
		Unit	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement		Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement		Control content	Control value	Measurement	Control content	Control value	Measurement		Control content	Control value	Measurement
	SOx	Total emission control and K-value control: m^3N/h	K-value control	0.22	0.007	Use of town gas with zero sulfur content			Total emission control	22.8	2.3		Use of town gas with zero sulfur content			Total emission control	2.859	0.26	Total emission control	1.477	0		Use of town gas with zero sulfur content			K-value control	10.3	0.06		Use of town gas with zero sulfur content			Use of town gas with zero sulfur content		
	NOx	Total emission control: m^3N/h, Concentration control: ppm	Total emission control	25.94	3.14	Total emission control	2.24	0.187	Total emission control	26.7	2.92		Total emission control	9.168	0.053	Total emission control	2.4	0.49	Total emission control	1.535	0.002		Concentration control	150	44	Concentration control	230	120		Concentration control	230	47	Concentration control	180	27
	Soot and dust	Concentration control: g/m^3N	Concentration control	0.1	0.0023	Concentration control	0.1	0.0011	Concentration control	0.1	0.002		Concentration control	0.1	0.005	Concentration control	0.05	0.03	Concentration control	0.1	0.005		Concentration control	0.1	0.001	Concentration control	0.25	0.01		Concentration control	0.2	Less than 0.01	–	–	–

*1 Total emission control: Control value (including agreed value) by plant or facility and the measurement value. K-value control and concentration control: Control value (including agreed value) of major smoke and soot generating facilities and the measurement value (maximum value).
*2 Smoke and soot generating facilities: Those subject to the laws concerning emissions into the atmosphere.

		Item	Unit	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement
Drainage*3	Public water areas	pH	Minimum value, Maximum value	5.8–8.6	6.8–7.7	—	—	5.0–9.0	6.6–7.4	5.0–9.0	6.6–7.5	5.8–8.6	6.8–7.5	—	—	—	—	5.8–8.6	5.8–7.6	5.8–8.6	7.0–7.5	5.8–8.6	7.4–7.9	—	—	—	—	6.0–8.5	7.4–7.8
		BOD	mg/L	30	6	—	—	—	—	—	—	25	5.9	—	—	—	—	30	9.7	25	15.7	20	3.6	—	—	—	—	30	1.5
		COD	mg/L	20	6	—	—	20	3.5	60	18.7	25	10.6	—	—	—	—	30	23.2	—	—	20	8.5	—	—	—	—	30	2.9
		Nitrogen	mg/L	120	5.7	—	—	20	4.6	70	23	120	11	—	—	—	—	120	72.2	—	—	60	11	—	—	—	—	12	1
		Phosphorus	mg/L	16	0.2	—	—	2	0.08	7	2.3	16	1	—	—	—	—	16	10.6	—	—	8	0.8	—	—	—	—	1.2	Non-detected
		Hexavalent chromium	mg/L	0.35	Non-detected	—	—	0.05	Non-detected	—	—	0.05	Non-detected	—	—	—	—	0.5	Non-detected	—	—	0.5	Non-detected	—	—	—	—	0.05	Non-detected
		Lead	mg/L	0.1	Non-detected	—	—	0.1	0.02	—	—	0.01	0.005	—	—	—	—	0.1	Non-detected	—	—	0.1	Non-detected	—	—	—	—	—	—
		COD, total emission control	kg/day	97.44	13.3	—	—	110.5	55.4	4	0.87	38	2	—	—	—	—	3.3	0.87	—	—	—	—	—	—	—	—	—	—
		Nitrogen, total emission control	kg/day	40.51	13.6	—	—	114.7	20.2	2.865	0.86	38.3	2	—	—	—	—	13.2	1.6	—	—	—	—	—	—	—	—	—	—
		Phosphorus, total emission control	kg/day	1.424	0.5	—	—	11.65	0.7	0.391	0.087	4.4	0.2	—	—	—	—	1.76	0.12	—	—	—	—	—	—	—	—	—	—
	Sewerage lines	pH	Minimum value, Maximum value	5.7–8.7	7.0–8.4	5.7–8.7	6.4–7.8	—	—	—	—	—	—	5.7–8.7	6.7	5.7–8.7	6.9–7.2	—	—	—	—	—	—	5.7–8.7	6.8–7.6	5–9	6.2–7.4	—	—
		BOD	mg/L	300	140	300	7	—	—	—	—	—	—	600	29	300	39	—	—	—	—	—	—	300	37	600	68	—	—
		COD	mg/L	—	—	—	—	—	—	—	—	—	—	—	—	—	160	—	—	—	—	—	—	—	—	—	—	—	—
		SS	mg/L	300	2	300	23	—	—	—	—	—	—	600	6	300	24	—	—	—	—	—	—	300	33	600	35	—	—

*3 Total emission control: Control value (including agreed value) by plant and the measurement value. Concentration control: Control value (including agreed value) by plant and the measurement value (maximum value).
*4 Includes Group company data within the same site.

Results of PRTR Reporting (Unit: kg/year)

Business site	Substance name	Cabinet Order No.	Released amount				Transferred amount	
			Atmosphere	Public water areas	Soil	On-site landfills	Sewerage	Transfers to off-site
Hanshin Plant (Mukogawa)	Ethylbenzene	53	6,357	0.0	0.0	0.0	0.0	61
	Xylene	80	8,905	0.0	0.0	0.0	0.0	90
	Triethylamine	277	0.0	0.0	0.0	0.0	0.0	0.0
	1, 2, 4-trimethylbenzene	296	3,199	0.0	0.0	0.0	0.0	0.0
	Toluene	300	8,925	0.0	0.0	0.0	0.0	1,547
	lead compounds	305	0.0	0.0	0.0	0.0	0.0	6,497
	Nickel	308	0.0	0.0	0.0	0.0	0.0	276
	Phenol	349	0.0	0.0	0.0	0.0	0.0	0.0
	Methylenebis (4,1-phenylene) diisocyanate	448	0.0	0.0	0.0	0.0	0.0	0.0
Hanshin Plant (Marushima)	Ethylbenzene	53	14,369	0.0	0.0	0.0	0.0	0.0
	Xylene	80	35,785	0.0	0.0	0.0	0.0	0.0
	Toluene	300	28,283	0.0	0.0	0.0	0.0	0.0
	Nickel	308	0.0	0.0	0.0	0.0	0.0	207
Hanshin Plant (Amagasaki)	Chromium and Chromium (III) compounds	87	0.0	0.0	0.0	0.0	0.0	455
	Toluene	300	1,514	0.0	0.0	0.0	0.0	0.0
	Nickel	308	1.8	0.0	0.0	0.0	0.0	0.23
	Boron compounds	405	0.0	0.0	0.0	0.0	0.0	1,849
	Manganese and its compounds	412	0.0	0.0	0.0	0.0	0.0	6,366
	Molybdenum and its compounds	453	0.0	0.0	0.0	0.0	0.0	0.0

Business site	Substance name	Cabinet Order No.	Released amount				Transferred amount	
			Atmosphere	Public water areas	Soil	On-site landfills	Sewerage	Transfers to off-site
Keiyo Plant (Funabashi)	Ethylbenzene	53	24,021	0.0	0.0	0.0	0.0	479
	Xylene	80	36,181	0.0	0.0	0.0	0.0	699
	Triethylamine	277	0.0	0.0	0.0	0.0	0.0	0.0
	1, 2, 4-trimethylbenzene	296	2,582	0.0	0.0	0.0	0.0	20
	Toluene	300	58,948	0.0	0.0	0.0	0.0	923
	Nickel	308	0.0	0.0	0.0	0.0	0.0	28
	Phenol	349	0.0	0.0	0.0	0.0	0.0	0.0
	Di-n-butyl phthalate	354	0.0	0.0	0.0	0.0	0.0	118
	Manganese and its compounds	412	0.0	0.0	0.0	0.0	0.0	9,993
	Methylenebis (4,1-phenylene) diisocyanate	448	0.0	0.0	0.0	0.0	0.0	0.0
Keiyo Plant (Distribution Center)	Ethylbenzene	53	6,389	0.0	0.0	0.0	0.0	130
	Xylene	80	23,505	0.0	0.0	0.0	0.0	480
	Toluene	300	7,365	0.0	0.0	0.0	0.0	150
Keiyo Plant (Ichikawa)	Manganese and its compounds	412	0.0	0.0	0.0	0.0	0.0	0.0
Hirakata Plant	Ethylbenzene	53	1,327	0.0	0.0	0.0	0.0	17,377
	Xylene	80	2,265	0.0	0.0	0.0	0.0	27,604
	Chromium and Chromium (III) compounds	87	0.0	0.0	0.0	0.0	0.0	2,197
	Cobalt and its compounds	132	0.0	0.0	0.0	0.0	0.0	4
	1, 2, 4-trimethylbenzene	296	179	0.0	0.0	0.0	0.0	2,375
	Toluene	300	1,436	0.0	0.0	0.0	0.0	16,371
	Nickel	308	0.0	0.0	0.0	0.0	0.0	10
	Boron compounds	405	0.0	0.0	0.0	0.0	0.0	10
	Manganese and its compounds	412	0.0	0.0	0.0	0.0	0.0	4,263
	Molybdenum and its compounds	453	0.0	0.0	0.0	0.0	0.0	0.0

Business site	Substance name	Cabinet Order No.	Released amount				Transferred amount	
			Atmosphere	Public water areas	Soil	On-site landfills	Sewerage	Transfers to off-site
Okajima Business Center	Chromium and Chromium (III) compounds	87	0.0	0.0	0.0	0.0	0.0	948
	Triethylamine	277	0.0	0.0	0.0	0.0	0.0	0.0
	1, 2, 4-trimethylbenzene	296	1,745	0.0	0.0	0.0	0.0	0.0
	1, 3, 5-trimethylbenzene	297	524	0.0	0.0	0.0	0.0	0.0
	Phenol	349	0.0	0.0	0.0	0.0	0.0	0.0
	Formaldehyde	411	179	0.0	0.0	0.0	0.0	0.0
	Manganese and its compounds	412	0.0	0.0	0.0	0.0	0.0	1,806
	Methylenebis (4,1-phenylene) diisocyanate	448	0.0	0.0	0.0	0.0	21	0.0
Sakai Plant	Water-soluble zinc compounds	1	0.0	0.0	0.0	0.0	0.0	0.0
	Ethylbenzene	53	2,147	0.0	0.0	0.0	0.0	193
	Xylene	80	3,036	0.0	0.0	0.0	0.0	442
	1, 2, 4-trimethylbenzene	296	151	0.0	0.0	0.0	0.0	30
	1, 3, 5-trimethylbenzene	297	123	0.0	0.0	0.0	0.0	8
	Toluene	300	983	0.0	0.0	0.0	0.0	177
Sakai Rinkai Plant	Ethylbenzene	53	40	0.0	0.0	0.0	0.0	14
	Xylene	80	136	0.0	0.0	0.0	0.0	44
	Toluene	300	192	0.0	0.0	0.0	0.0	47
	Benzene	400	1.7	0.0	0.0	0.0	0.0	0.0
Utsunomiya Plant	Water-soluble zinc compounds	1	0.0	8.4	0.0	0.0	0.0	440
	Ethylbenzene	53	12,797	0.0	0.0	0.0	0.0	4,989
	Xylene	80	17,956	0.0	0.0	0.0	0.0	7,000
	1, 2, 4-trimethylbenzene	296	361	0.0	0.0	0.0	0.0	141
	Toluene	300	1,208	0.0	0.0	0.0	0.0	471
	Naphthalene	302	2,031	0.0	0.0	0.0	0.0	0.0
	n-hexane	392	0.0	0.0	0.0	0.0	0.0	0.0

Business site	Substance name	Cabinet Order No.	Released amount				Transferred amount	
			Atmosphere	Public water areas	Soil	On-site landfills	Sewerage	Transfers to off-site
Tsukuba Plant	Water-soluble zinc compounds	1	0.0	0.0	0.0	0.0	0.0	817
	Ethylbenzene	53	45,441	0.0	0.0	0.0	0.0	967
	Xylene	80	55,090	0.0	0.0	0.0	0.0	0.0
	1, 2, 4-trimethylbenzene	296	4,579	0.0	0.0	0.0	0.0	0.0
	1, 3, 5-trimethylbenzene	297	1,593	0.0	0.0	0.0	0.0	0.0
	Naphthalene	302	0.0	0.0	0.0	0.0	0.0	710
	Nickel compounds	309	0.0	0.0	0.0	0.0	0.0	508
	Manganese and its compounds	412	0.0	0.0	0.0	0.0	21	1,136
	Methylenebis (4,1-phenylene) diisocyanate	448	0.0	0.0	0.0	0.0	0.0	0.0
Shiga Plant	Xylene	80	0.0	0.0	0.0	0.0	0.0	73
	Styrene	240	21,831	0.0	0.0	0.0	0.0	0.0
	Di-n-butyl phthalate	354	0.0	0.0	0.0	0.0	0.0	52
	Methylenebis (4,1-phenylene) diisocyanate	448	0.0	0.0	0.0	0.0	0.0	0.0

Data on KUBOTA group production sites in Japan (results of FY2014)

Item \ Business site			KUBOTA-C.I. (Sakai)		KUBOTA-C.I. (Odawara)		KUBOTA-C.I. (Tochigi)		KUBOTA Air Conditioner (Tochigi)		KUBOTA Precision Machinery		Nippon Plastic Industry		Kyushu KUBOTA Chemical	
INPUT																
Energy		Unit	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ
	Fossil fuel	Crude oil equivalent kL	89	3,431	127	4,941	83	3,230	286	11,081	770	29,849	59	2,304	2	71
	Purchased electricity	MWh	14,229	138,880	32,452	314,452	22,782	219,344	2,717	27,091	14,509	140,845	15,291	148,154	8,363	80,449
	Total	Crude oil equivalent kL	3,672	142,311	8,240	319,393	5,742	222,574	985	38,172	4,404	170,694	3,882	150,458	2,077	80,519
Water usage		thousand m^3	17		36		273		64		19		20.1		6	
OUTPUT																
CO_2 emission	CO_2 emissions from energy sources	tons CO_{2e}	6,337		17,299		12,181		1,987		8,962		8,017		5,123	
Waste	Discharge amount	tons	21		103		115		168		524		32		17	
	Recycling ratio	%	99.9		99.8		99.9		99.9		100.0		99.4		99.5	
Exhaust gas*1	Main smoke and soot generating facilities*2	Unit	No smoke and soot generating facilities		No smoke and soot generating facilities		No smoke and soot generating facilities		Drying furnaces: Control content	Drying furnaces: Control content	Drying furnaces: Measurement	No smoke and soot generating facilities	No smoke and soot generating facilities		No smoke and soot generating facilities	
	SOx	K-value control							Use of town gas with zero sulfur content							
	NOx	Concentration control: ppm							Concentration control	230	Less than 5					
	Soot and dust	Concentration control: g/m^3N							Concentration control	0.2	Less than 0.005					

*1 K-value control and concentration control: Control value (including agreed value) of major smoke and soot generating facilities and the measurement value (maximum value).
*2 Smoke and soot generating facilities: Those subject to the laws concerning emissions into the atmosphere.

		Unit	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement
Drainage*3	Public water areas: pH	Minimum value, Maximum value	5.8–8.6	6.5–7.5	5.8–8.6	8.1–8.4	5.8–8.6	7.9–8.2	5.8–8.6	7.4–7.7	—	—	5.8–8.6	5.0–7.5	—	—
	BOD	mg/L	25	10	60	1.3	20	5	30	9.8	—	—	160	0.9	—	—
	COD	mg/L	25	12	60	2.4	—	—	—	—	—	—	160	1.4	—	—
	Nitrogen	mg/L	60	42	120	0.6	60	0.66	—	—	—	—	—	—	—	—
	Phosphorus	mg/L	8	5.6	16	0.12	1	Non-detected	—	—	—	—	—	—	—	—
	Hexavalent chromium	mg/L	0.5	Non-detected	0.5	Non-detected	0.1	Non-detected	0.1	Non-detected	—	—	—	—	—	—
	Lead	mg/L	0.1	0.03	0.1	Non-detected	0.1	0.02	0.1	Non-detected	—	—	0.1	Non-detected	—	—
	COD, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Nitrogen, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Phosphorus, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Sewerage lines: pH	Minimum value, Maximum value	—	—	—	—	—	—	—	—	No specific facilities		—	—	No specific facilities	
	BOD	mg/L	—	—	—	—	—	—	—	—			—	—		
	COD	mg/L	—	—	—	—	—	—	—	—			—	—		
	SS	mg/L	—	—	—	—	—	—	—	—			—	—		

*3 Total regulations are plant unit control values, agreed values and measurement values. Concentration regulations are plant unit control values (including agreed values) and measurement values (maximum value).

Results of PRTR reporting (Unit: kg/year)

Business site	Substance name	Cabinet Order No.	Released amount: Atmosphere	Released amount: Public water areas	Released amount: Soil	Released amount: On-site landfills	Transferred amount: Sewerage	Transferred amount: Transfers to off-site
KUBOTA-C.I. (Sakai)	Xylene	80	36	0.0	0.0	0.0	0.0	0.0
	Organic tin compounds	239	0.01	0.0	0.0	0.0	0.0	0.1
	1, 2, 4-trimethylbenzene	296	0.01	0.0	0.0	0.0	0.0	0.0
	Lead compounds	305	0.95	0.0	0.0	0.0	0.0	33
KUBOTA-C.I. (Odawara)	Organic tin compounds	239	0.0	0.0	0.0	0.0	0.0	8.8
	Lead compounds	305	0.0	0.0	0.0	0.0	0.0	113
KUBOTA-C.I. (Tochigi)	Chromium and chromium (III) compounds	87	0.0	0.0	0.0	0.0	0.0	0.7
	Organic tin compounds	239	0.0	0.0	0.0	0.0	0.0	2.5
	Toluene	300	594	0.0	0.0	0.0	0.0	0.0
	Lead compounds	305	0.0	0.0	0.0	0.0	0.0	245
KUBOTA Air Conditioner (Tochigi)	Ferric chloride	71	0.0	0.0	0.0	0.0	0.0	0.0
	Methylenebis (4, 1-phenylene) diisocyanate	448	0.0	0.0	0.0	0.0	0.0	0.0
KUBOTA Precision Machinery	N,N-Dicyclohexylamine	188	0.0	0.0	0.0	0.0	0.0	1,139
Nippon Plastic Industry	Chromium and chromium (III) compounds	87	0.0	0.0	0.0	0.0	0.0	0.0
	Lead compounds	305	3.7	0.0	0.0	0.0	0.0	6.2
Kyushu KUBOTA Chemical	Organic tin compounds	239	0.0	0.0	0.0	0.0	0.0	2.1
	Lead compounds	305	1.9	0.0	0.0	0.0	0.0	48

Data on KUBOTA Group Overseas Production Sites (results of FY2014)

Region			North America						Europe					
Item \ Business site			Kubota Manufacturing of America Corporation		Kubota Industrial Equipment Corporation		Kubota Materials Canada Corporation		Kubota Baumaschinen GmbH		Kverneland Group Operations Norway AS		Kverneland Group Soest GmbH	
INPUT														
Energy		Unit	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ
	Fossil fuel	Crude oil equivalent kL	4,269	165,467	2,431	94,240	6,611	256,222	576	22,325	2,785	107,964	740	28,690
	Purchased electricity	MWh	24,042	239,700	22,922	228,530	16,600	165,502	2,434	24,269	38,460	383,449	3,665	36,535
	Total	Crude oil equivalent kL	10,453	405,167	8,327	322,769	10,880	421,724	1,202	46,594	12,678	491,413	1,683	65,225
Water usage		thousand m^3	73		29		50		6		60		3	
OUTPUT														
CO_2 emission	CO_2 emissions from energy sources	tons CO_{2e}	23,210		18,688		15,885		2,264		6,292		3,051	
Waste	Discharge amount	tons	2,465		1,524		4,981		351		365		465	
	Recycling ratio	%	92.3		96.0		30.3		98.0		92.5		90.0	
Exhaust gas*1	Main smoke and soot generating facilities*2	Unit	Boilers: Control content	Boilers: Control value	Boilers: Measurement	Boilers: Control content	Boilers: Control value	Boilers: Measurement	—: Control content	—: Control value	—: Measurement	No smoke and soot generating facilities	—: Control content	—: Control value	—: Measurement	—: Control content	—: Control value	—: Measurement
	SOx	Concentration control	Use of town gas with zero sulfur content			Concentration control	—	—	Concentration control	—	—		Concentration control	—	—	Concentration control	—	—
	NOx	Concentration control: ppm	Concentration control	—	25	Concentration control	—	24	Concentration control	—	—		Concentration control	—	—	Concentration control	—	—
	Soot and dust	Concentration control: g/m^3N	Concentration control	—	—	Concentration control	—	—	Concentration control	—	—		Concentration control	—	—	Concentration control	—	—

*1 Concentration control: Control value (including agreed value) of major smoke and soot generating facilities and the measurement value (maximum value).
*2 Smoke and soot generating facilities: Those subject to the laws concerning emissions into the atmosphere.

		Unit	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement
Drainage*3	Public water areas: pH	Minimum value, Maximum value	—	—	—	—	—	—	—	—	—	—	—	—
	BOD	mg/L	—	—	—	—	—	—	—	—	—	—	—	—
	COD	mg/L	—	—	—	—	—	—	—	—	—	—	—	—
	Nitrogen	mg/L	—	—	—	—	—	—	—	—	—	—	—	—
	Phosphorus	mg/L	—	—	—	—	—	—	—	—	—	—	—	—
	Hexavalent chromium	mg/L	—	—	—	—	—	—	—	—	—	—	—	—
	Lead	mg/L	—	—	—	—	—	—	—	—	—	—	—	—
	COD, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—
	Nitrogen, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—
	Phosphorus, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—
	Sewerage lines: pH	Minimum value, Maximum value	6.0–9.5	7.6	6.0–9.0	7.7	5.5–9.5	7.5	6.5–9.0	7.4, 8.7	(Sewage discharge)		(Sewage discharge)	
	BOD	mg/L	900	98.6	250	10.4	300	2	—	—				
	COD	mg/L	—	—	—	—	—	—	1,000	1,100*4				
	SS	mg/L	900	31.8	250	19.8	350	3	—	—				

*3 Concentration regulations are plant unit control values (including agreed values) and measurement values (maximum value).
*4 Post-treatment water quality temporarily exceeded regulated values, but the water was discharged with government approval.

Results of chemical substances reporting
Toxics Release Inventory (TRI) Program (U.S. EPA) (Unit: kg/year)

Business site	Substance name	CAS Number	On-site disposal and amount of emissions	Recycled Off-site	Off-site disposal and amount of emissions
Kubota Manufacturing of America Corporation	Chromium	7440-47-3	732	26,207	0.39
	Manganese	7439-96-5	5,934	209,658	0
	Nickel	7440-02-0	981	35,292	2.62
	Ethylene glycol	107-21-1	0	0	676
	Lead	7439-92-1	19.5	699	0
	Sulfuric acid	7664-93-9	0	0	0
	Diisocyanates	101-68-8	0	0	0
Kubota Industrial Equipment Corporation	Chromium	7440-47-3	0.27	0.06	0
	Manganese	7439-96-5	176	0.12	0
	Nickel	7440-02-0	0.11	0.02	0
	Lead	7439-92-1	3.45	0.002	0
	Methyl Isobutyl Ketone	108-10-1	2,865	15,297	0

Reporting to National Pollutant Release Inventory (Canada) (Unit: kg/year)

Business site	Substance name	Control law number	Release quantity	Amount of off-site recycled waste
Kubota Materials Canada Corporation	Chromium (and its compounds)	NA-04	68	24,569
	Manganese (and its compounds)	NA-09	189	1,039
	Nickel (and its compounds)	NA-11	72	31,129
	PM10-Particulate Matter≦10μm	NA-M09	16,251	0
	PM2.5-Particulate Matter≦2.5μm	NA-M10	16,169	0

Data on KUBOTA Group Overseas Production Sites (results of FY2014) (Continued from page 66)

Region			Europe												Asia													
Item \ Business site			Kverneland Group Nieuw-Vennep B.V.		Kverneland Group Kerteminde AS		Kverneland Group Les Landes Génusson SAS		Kverneland Group Modena SpA		Kverneland Group Ravenna S.r.l.		Kverneland Group Manufacturing Lipetsk		Kubota Agricultural Machinery (SUZHOU) Co., Ltd.		Kubota Construction Machinery (WUXI) Co., Ltd.		Kubota Guozhen Environmental Engineering (ANHUI) Co., Ltd.		Kverneland Agricultural Equipment Daqing Ltd.		SIAM KUBOTA Corporation (Headquarter)		SIAM KUBOTA Corporation (Amata Nakorn Plant)		SIAM KUBOTA Metal Technology	
INPUT																												
Energy		Unit	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ
	Fossil fuel	Crude oil equivalent kL	1,029	39,878	1,211	46,951	25	970	231	8,969	443	17,174	6	216	1,915	74,211	232	8,983	3	105	67	2,600	373	14,448	1,468	56,883	336	13,017
	Purchased electricity	MWh	2,536	25,288	5,603	55,857	585	5,832	790	7,877	1,409	14,048	70	695	11,171	111,376	4,093	40,811	66	654	121	1,208	8,970	89,430	14,372	143,286	34,382	342,790
	Total	Crude oil equivalent kL	1,681	65,166	2,652	102,808	175	6,802	435	16,846	806	31,222	23	910	4,788	185,586	1,285	49,794	20	758	98	3,808	2,680	103,878	5,164	200,169	9,180	355,807
Water usage		thousand m^3	12		34		2		4		8		0.3		108		13		0.8		0.4		72		164		59	
OUTPUT																												
CO_2 emission	CO_2 emissions from energy sources	tons CO_{2e}	2,995		4,735		119		774		1,442		37		12,767		3,548		56		222		5,401		10,797		18,420	
Waste	Discharge amount	tons	475		312		64		97		101		2		635		69		0		0		320		631		15,193	
	Recycling ratio	%	94.6		98.0		85.4		24.2		49.1		80.0		99.7		76.0		—		—		97.3		93.6		66.1	
Exhaust gas[*1]	Main smoke and soot generating facilities[*2]		—		—		—		Boilers		—		—		Boilers		Preheating furnaces		—		—		Drying furnaces		Drying furnaces		Heating furnaces	
	Unit		Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement
	SOx	Concentration control	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	Non-detected	—	(ppm)	Non-detected	1.2	Concentration control	Non-detected	—	Concentration control	Non-detected	—	(mg/m^3)	100	2	(mg/m^3)	550	0.023	Concentration control	Non-detected	—	Concentration control	Non-detected	—	(ppm)	60	Less than 1.3	(ppm)	60	2.83	(ppm)	500	3.55
	NOx	Concentration control: ppm	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	Non-detected	44.3	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	400	25.8	(mg/m^3)	240	0.1	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	200	2	Concentration control	200	1.9	Concentration control	—	—
	Soot and dust	Concentration control: g/m^{3}N	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	Non-detected	0.0001	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	0.05	0.014	Concentration control	0.12	0.006	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	0.32	0.004	Concentration control	0.32	0.021	Concentration control	0.015	0.001

			Unit	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement
Drainage[*3]	Public water areas	pH	Minimum value, Maximum value	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(No external water discharge)	
		BOD	mg/L	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		COD	mg/L	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		Nitrogen	mg/L	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		Phosphorus	mg/L	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		Hexavalent chromium	mg/L	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		Lead	mg/L	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		COD, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		Nitrogen, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
		Phosphorus, total emission control	kg/day	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
	Sewerage lines	pH	Minimum value, Maximum value	6.5–9.0	7.4	6.5–9.5	2.8[*4], 8.8	(Sewage discharge)		(Sewage discharge)		5.5–9.5	6.9	(Sewage discharge)		6.5–9.5	7.9	6.0–9.0	7.7, 8.0	—	—	(Sewage discharge)		6.0–9.0	7.3	5.5–9.0	6.9				
		BOD	mg/L	—	—	—	—					250	Non-detected			300	59.9	300	3.4	—	—			450	110	500	77				
		COD	mg/L	—	—	—	—					500	37			500	125	500	34.3	500	60.0			650	263	750	107				
		SS	mg/L	—	—	—	—					200	Non-detected			400	25.5	400	7	400	8			500	86	200	38				

Region			Asia									
Item \ Business site			KUBOTA Engine (Thailand)		Kubota Precision Machinery (Thailand)		P.T.Kubota Indonesia		P.T.Metec Semarang		Kubota Saudi Arabia Company	
INPUT												
Energy		Unit	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ	Volume of use	Heat conversion GJ
	Fossil fuel	Crude oil equivalent kL	363	14,058	17	663	406	15,738	372	14,414	3,522	136,508
	Purchased electricity	MWh	8,510	84,843	357	3,563	2,813	28,048	4,900	48,849	0	0
	Total	Crude oil equivalent kL	2,552	98,901	109	4,226	1,130	43,786	1,632	63,262	3,522	136,508
Water usage		thousand m^3	10		2		49		36		11	
OUTPUT												
CO_2 emission	CO_2 emissions from energy sources	tons CO_{2e}	5,286		228		3,171		4,517		9,064	
Waste	Discharge amount	tons	507		54		9		343		792	
	Recycling ratio	%	91.4		85.5		97.1		88.7		3.4	
Exhaust gas[*1]	Main smoke and soot generating facilities[*2]		Preheating furnaces		—		—		Drying furnaces		—	
	Unit		Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement	Control content	Control value	Measurement
	SOx	Concentration control	(ppm)	Non-detected	38.4	(ppm)	Non-detected	—	Concentration control	Non-detected	—	(mg/m^3)	800	2.0	Concentration control	Non-detected	—
	NOx	Concentration control: ppm	Concentration control	Non-detected	25.1	Concentration control	Non-detected	—	Concentration control	Non-detected	—	(mg/m^3)	1000	1.0	Concentration control	Non-detected	—
	Soot and dust	Concentration control: g/m^{3}N	Concentration control	Non-detected	0.062	Concentration control	Non-detected	—	Concentration control	Non-detected	—	Concentration control	0.35	0.012	Concentration control	Non-detected	—

			Unit	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement	Control value	Measurement
Drainage[*3]	Public water areas	pH	Minimum value, Maximum value	(No external water discharge)		—	—	6.0–9.0	6.0, 8.1	6.0–9.0	6.0, 8.0	—	—
		BOD	mg/L			—	—	100	20	100/50[*5]	155/68[*5]	—	—
		COD	mg/L			—	—	250	47	250/100[*5]	338/162[*5]	—	—
		Nitrogen	mg/L			—	—	—	—	—	—	—	—
		Phosphorus	mg/L			—	—	—	—	—	—	—	—
		Hexavalent chromium	mg/L			—	—	0.1	0.0015	0.5	0.0004	—	—
		Lead	mg/L			—	—	0.1	0.01	0.1	0.005	—	—
		COD, total emission control	kg/day			—	—	—	—	—	—	—	—
		Nitrogen, total emission control	kg/day			—	—	—	—	—	—	—	—
		Phosphorus, total emission control	kg/day			—	—	—	—	—	—	—	—
	Sewerage lines	pH	Minimum value, Maximum value			5.5–9.0	7.3	—	—	—	—	Transported to sewage plant	
		BOD	mg/L			500	23	—	—	—	—		
		COD	mg/L			750	275	—	—	—	—		
		SS	mg/L			200	34	—	—	—	—		

*1 Concentration control: Control value (including agreed value) of major smoke and soot generating facilities and the measurement value (maximum value).
*2 Smoke and soot generating facilities: Those subject to the laws concerning emissions into the atmosphere.
*3 Total regulations are plant unit control values, agreed values and measurement values. Concentration control: Control value (including agreed value) by plant and the measurement value (maximum value).
*4 Post-treatment water quality temporarily exceeded regulated values, but the water was adjusted receiving government approval.
*5 Due to a change in the categories of regulations made in September 2013, the regulation values and measured values for the period prior to August and the period after September are reported. Between August and October, the measured value exceeded the regulation value, but this was reported to the government and we have been implementing an alternative plan. As of November, the measured value has been under the regulation value.

Calculation Standards of Environmental Performance Indicators

- Period: April 2013 to March 2014 (overseas data: January 2013 to December 2013)
- Organizations covered: KUBOTA Corporation and 61 consolidated subsidiaries in Japan, and 101 overseas consolidated subsidiaries (Totals for consolidated subsidiaries (162 companies)) (100% coverage)

Environmental performance indicators		Unit	Calculation method
Energy and CO_2-related	Total energy input (TJ: 10^{12}J)	TJ	[Calculation formula] • Amount of purchased electricity x per-unit heat value + ∑ [amount of each fuel consumed x per-unit heat value of each fuel] • Per-unit heat value is determined in accordance with the Enforcement Regulation for the Act on the Rational Use of Energy, Japan [Calculation scope] • Purchased electricity and fossil fuel used at business sites • Transportation fuel used in distribution (business sites in Japan)
	CO_2 emissions	kilotons CO_{2e}	[Calculation formula] • Amount of purchased electricity x CO_2 emission coefficient + ∑ [amount of each fuel consumed at business sites x per-unit heat value of each fuel x CO_2 emission coefficient of each fuel] + non-energy source greenhouse gas emissions • Non-energy source greenhouse gas emissions = CO_2 emissions from non-energy sources + non-CO_2 greenhouse gas emissions • The method for calculating non-energy source greenhouse gas emissions is based on the Guidelines for Calculating Greenhouse Gas Emissions from Businesses of Japan's Ministry of the Environment. [CO_2 emission coefficients] FY1991 Fuel: Based on the Report on Survey of Carbon Dioxide Emissions (Japan's Environment Agency 1992) and the Guideline for Measures to prevent Global Warming (Japan's Environment Agency 1993) From FY2010 to FY2014 Fuel: Based on the Manual for Calculation and Report of Greenhouse Gas Emissions (latest version every fiscal year; Japan's Ministry of the Environment and Ministry of Economy, Trade and Industry) Electricity: Data for Japan are effective emission coefficients published by electricity utilities (before reflecting carbon credits) Overseas data are emission coefficients of respective countries published in the Greenhouse Gas Protocol Initiative (Ver. 4.4) Effect of CO_2 emission coefficients for electricity: The difference between the emitted amount of CO_2 calculated using the FY2012 CO_2 emission coefficients for electricity in Japan, which are based on the amounts reported by electricity utilities in FY2011, and the emitted amount of CO_2 calculated using the same CO_2 emission coefficients for each year. [Calculation scope] • Non-energy source greenhouse gas data up to FY2011 are for business sites in Japan only • Data are for HFC, PFC and SF6 emissions from January to December included in non-energy source greenhouse gases
	CO_2 emissions per unit of sales	%	[Calculation formula] • CO_2 emissions per unit of sales = total CO_2 emissions / consolidated net sales • CO_2 emissions per unit of sales for each fiscal year / FY2010 CO_2 emissions per unit of sales × 100 (as shown in the graph on page 47)
	Freight traffic	million ton-km	[Calculation formula] • ∑ [Freight transportation amount (tons) × distance traveled (km)] [Calculation scope] • Transportation in Japan (products and industrial waste discharge)
	CO_2 emissions during distribution	kilotons CO_{2e}	[Calculation formula] • Truck transportation: Fuel consumption during transportation = freight traffic x fuel consumption per ton-kilometer x per-unit heat value; CO_2 emissions = fuel consumption during transportation x CO_2 emission coefficient x 44 / 12 • Other than truck transportation: Fuel consumption during transportation = freight traffic x fuel consumption per ton-kilometer x per-unit heat value; CO_2 emissions = freight traffic x CO_2 emissions per ton-kilometer by means of transportation • The method of calculation is based on the ton-kilometer method stipulated under the Manual for Calculation and Report of Greenhouse Gas Emissions (Ver.3.5) (Japan's Ministry of the Environment and Ministry of Economy, Trade and Industry June 2014) [Calculation scope] • Transportation in Japan (products and industrial waste discharge)
	CO_2 emissions during distribution per unit of sales	%	[Calculation formula] • CO_2 emissions during distribution / consolidated net sales • CO_2 emissions per unit of sales of each fiscal year / CO_2 emissions per unit of sales in FY2010 x 100 (as shown in the graph on page 48)
	Scope 3 emissions (disposal and treatment of waste; employee business trips)	kilotons CO_{2e}	• The calculation method is based on the Basic Guidelines regarding the Calculation of Greenhouse Gas Emissions throughout the Supply Chain (Ver. 2.1) and the Emissions per Unit Database for the Purpose of Calculating the Greenhouse Gas and Other Emissions of Organizations throughout the Supply Chain (Ver. 2.1) (Japan's Ministry of the Environment and Ministry of Economy, Trade and Industry March 2014) Resource extraction, production and transportation for fuels used to generate electricity purchased by KUBOTA: [Calculation formula] Resource extraction, production, etc. of purchased electricity: CO_2 emissions = electricity consumption (amount of purchased electricity) x (CO_2 emissions per unit of sales); [Calculation scope] Purchased electricity (Japan and overseas) Disposal of waste generated at business sites: [Calculation formula] CO_2 emissions = ∑ [(amount of waste discharge by type) x (emissions per unit)]; [Calculation scope] Waste generated at business sites (Japan and overseas) Employee business travels: [Calculation formula] CO_2 emissions = ∑ [(transportation expenses paid by mode of transport) x (emissions per unit)]; [Calculation scope] The amount of transportation expenses paid is the portion traveled based on airline tickets (domestic and international) and railway tickets (in Japan)
Waste-related	Amount of waste, etc. discharge	tons	[Calculation formula] • Sales of valuable resources + amount of waste discharge
	Amount of waste discharge	tons	[Calculation formula] • Amount of waste recycled and waste reduction + landfill disposal • Amount of industrial waste discharge + amount of general waste discharged from business activities
	Waste discharge per unit of sales	%	[Calculation formula] • Waste discharge / consolidated net sales • Waste discharge per unit of sales of each fiscal year / waste discharge per unit of sales in FY2010 x 100 (as shown in the graph on page 49)
	Amount of landfill disposal	tons	[Calculation formula] • Direct landfill + final landfill following external intermediate treatment
	Recycling ratio	%	[Calculation formula] • (Sales of valuable resources + external recycling volume) ÷ (Sales of valuable resources + external recycling volume + amount of landfill disposal) x 100 [External recycling volume includes heat recovery]
	Amount of construction waste, etc. discharge	tons	[Calculation formula] • Amount of construction waste discharge (Including construction waste other than specific construction materials) + sales of valuable resources (generated from construction) (covers directly contracted companies that buy valuable materials from the KUBOTA Group) [Calculation scope] • Business sites in Japan
	Recycling ratio of construction waste	%	[Calculation formula] • (Sales of valuable resources + resource recycling + amount reduced (including heat recovery)) / amount of construction waste, etc. discharge (including sales of valuable resources) x 100

*1 From FY2014, the KUBOTA Group's accounting policy has changed to reflect in the consolidated financial statements the preliminary results of some consolidated subsidiaries with different ends to their fiscal years. The period covered in the Environmental Report is as stated at the top of page 69.
*2 In accordance with changes in the KUBOTA Group's accounting policy (adjusting for fiscal year ends), consolidated net sales from FY2010 to FY2014 have been restated to reflect the new accounting policy. As a result, indicators per unit of sales, which use consolidated net sales in the denominator, and eco-efficiency which uses them in the numerator, have been restated from FY2010 to FY2013.

Environmental performance indicators		Unit	Calculation method
Water-related	Water consumption	million m^3	[Calculation formula] • Total amount of service water, industrial water and groundwater consumption
	Water consumption per unit of sales	%	[Calculation formula] • Water consumption / consolidated net sales • Water consumption per unit of sales for each fiscal year / water consumption per unit of sales for FY2010 x 100 (as shown in the graph on page 51)
	Wastewater discharge (public water areas, sewage lines)	million m^3	[Calculation formula] • Total wastewater discharge to public water areas and sewage lines (including rain and spring water)
	Amount of COD, nitrogen and phosphorus discharge	tons	[Calculation formula] • COD, nitrogen or phosphorous concentration (mg/L) x amount of effluent discharged to public water area (m^3) x 10^{-6} [Calculation scope] • Business sites subject to total emission control in Japan
	Amount of recycled water	million m^3	[Calculation formula] • Amount of water purified in on-site effluent treatment facilities and recycled (excluding the recycled cooling water used)
Chemical substance-related	Amount of PRTR-designated substances handled	tons	[Calculation formula] • Total amount of chemical substances handled, which are designated as Class I under the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (the PRTR Law) whose amount handled by each business site is one ton or more (or 0.5 ton or more for Specific Class I Designated Chemical Substances) per year [Calculation scope] • Business sites in Japan (business sites subject to legal notification only) • After FY2013 data includes designated chemical substances derived from recycled resources in accordance with revisions to the Manual for PRTR Release Estimation Methods in the Steel Industry (Ver. 12 FY2013 use)
	Amount of PRTR-designated substances released and transferred	tons	[Calculation formula] • Total release and transfer amount of the chemical substances which are designated as Class I under the PRTR Law and whose annual total amount handled by each business site is one ton or more (or 0.5 ton or more in case of Specific Class I Designated Chemical Substances). • Amount released = amount discharged to the atmosphere + amount discharged to public water areas + amount discharged to soil + amount disposed of by landfill in the premises of the business site • Amount transferred = amount discharged to sewerage + amount transferred out of the business site as waste • The amount of each substance released and transferred is calculated in accordance with Manual for PRTR Release Estimation Methods Ver. 4.1 (March 2011) of the Ministry of the Environment and the Ministry of Economy, Trade and Industry, and Manual for PRTR Release Estimation Methods in the Steel Industry Ver. 13 (March 2014) of the Japan Iron and Steel Federation. [Calculation scope] • The same scope of calculation as the amount of PRTR-designated substances handled
	Amount of PRTR-designated substances released and transferred per unit of sales	%	[Calculation formula] • Amount of PRTR-designated substances released and transferred / consolidated net sales • PRTR-designated substances released and transferred per unit of sales of each fiscal year / PRTR-designated substances released and transferred per unit of sales in FY2010 x 100 (as shown in the graph on page 52)
	Amount of chemical substances handled	tons	[Calculation formula] • Total amount of chemical substances handled at business sites covered by laws and regulations + the total amount of VOCs handled [Calculation scope] • Overseas business sites • The subject laws and regulations are the Toxics Release Inventory (TRI) Program, US EPA, the European Pollutant Emission Register (EPER), the European Pollutant Release and Transfer Register (E-PRTR), and Reporting to the National Pollutant Release Inventory (Canada) • VOCs are xylene; toluene; ethylbenzene; 1, 2, 4-trimethylbenzene; 1, 3, 5-trimethylbenzene that are at each site handled in amounts of one ton or more per year (only xylene, toluene, ethylbenzene in FY2012)
	VOC emissions	tons	[Calculation formula] • The total emissions of xylene; toluene; ethylbenzene; styrene; 1, 2, 4-trimethylbenzene; 1, 3, 5-trimethylbenzene [Calculation scope] • In Japan and overseas • Xylene; toluene; ethylbenzene; styrene; 1, 2, 4-trimethylbenzene; 1, 3, 5-trimethylbenzene that are at each site handled in amounts of one ton or more per year
	VOC emissions per unit of sales	tons	[Calculation formula] • VOC emissions / consolidated net sales • VOC emissions per unit of sales for each fiscal year / VOC emissions per unit of sales in FY2010 x 100 (as shown in the graph on page 52)
	SOx emissions	tons	[Calculation formula] • Amount of fuel consumed (kg) x sulfur content in the fuel (Wt %) / 100 x 64 / 32 x [(1 - desulphurization efficiency) / 100] x 10^{-3}, or amount of SOx emitted per hour (m^3N/h) x annual operation hours of the relevant facility (h) x 64 / 22.4 x 10^{-3}, or SOx emission concentration (ppm) x annual exhaust gas from facilities (m^3N/y) x 64 / 22.4 x 10^{-6}, or SOx emission concentration (mg/m^3N) x annual exhaust gas from facilities (m^3N/y) x 10^{-9} [Calculation scope] • For FY2010, the smoke and soot generating facilities of business sites in Japan as defined by the Air Pollution Control Law. • From FY2011, the facilities of overseas business sites subject to the law are included • The smoke and soot generating facilities with burner combustion capacity in fuel oil equivalent of more than 50 liters / hour (city gas: above 80m^3 / hour) or rated capacity of transformers of more than 200kVA (kilovolt amps).
	NOx emissions	tons	[Calculation formula] • NOx concentration (ppm) x 10^{-6} x amount of gas emitted per hour (m^3N/h) x annual operation hours of the relevant facility (h) x 46 / 22.4 x 10^{-3} [Calculation scope] • For FY2010, the smoke and soot generating facilities of business sites in Japan as defined by the Air Pollution Control Law. • From FY2011, the facilities of overseas business sites subject to the law are included • The smoke and soot generating facilities with burner combustion capacity in fuel oil equivalent of more than 50 liters / hour (city gas: above 80m^3 / hour) or rated capacity of transformers of more than 200kVA (kilovolt amps).
	Soot and dust emissions	tons	[Calculation formula] • Soot and dust concentration (g/m^3N) x amount of gas emitted per hour (m^3N/h) x annual operation hours of the relevant facility (h) x 10^{-6} [Calculation scope] • For FY2010, the smoke and soot generating facilities of business sites in Japan as defined by the Air Pollution Control Law. • From FY2011, the facilities of overseas business sites subject to the law are included • The smoke and soot generating facilities with burner combustion capacity in fuel oil equivalent of more than 50 liters / hour (city gas: above 80m^3 / hour) or rated capacity of transformers of more than 200kVA (kilovolt amps).
Other	CO_2 eco-efficiency	million¥/ tons CO_{2e}	[Calculation formula] • Consolidated net sales / CO_2 emissions
	Waste eco-efficiency	million¥/ hundred kg	[Calculation formula] • Consolidated net sales / amount of waste discharge
	Chemical substance eco-efficiency	million¥/kg	[Calculation formula] • Consolidated net sales / amount of PRTR-designated substances released and transferred by production sites in Japan
	Green purchasing ratio	%	[Calculation formula] • Amount spent to purchase eco-friendly office supplies (paper, stationery, etc.) / total amount spent to purchase items subject to green purchasing x 100 • Green products are items purchased through the office supply procurement site operated by Group companies [Calculation scope] • Business sites in Japan

Third-Party Assurance on Environmental Report

Since FY2005, the KUBOTA Group has received the third-party assurance in order to improve the reliability and comprehensiveness of its environmental data. The symbol is used to indicate information assured by the third party. Based on the third-party assurance in this fiscal year, its environmental report was accorded the environmental report assurance and registration mark of the Japanese Association of Assurance Organizations for Sustainability Information (J-SUS). This mark* indicates that the reliability of environmental data presented in the KUBOTA REPORT 2014 – Business and CSR Activities satisfies the requirements for the environmental report assurance and registration marking specified by J-SUS.

http://www.j-sus.org/english.html

KUBOTA REPORT 2014 is published in three languages (Japanese, English and Chinese in online version). The entire online version of the Environmental Report has been verified by a third party.

J-SUS Assurance

Factory visit

Sakai Plant, KUBOTA Corporation

KPMG

Independent Assurance Report

To the President and Representative Director of Kubota Corporation

We were engaged by Kubota Corporation (the "Company") to undertake a limited assurance engagement of the environmental performance indicators marked with "" for the period from April 1, 2013 to March 31, 2014 (the "Indicators") included in its KUBOTA REPORT 2014 – Business & CSR Activities in the Company's website (the "Website Report") for the fiscal year ended March 31, 2014, and the completeness of material environmental information in the Website Report.

The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the "Company's reporting criteria"), as described in the Website Report, which are derived, among others, from the Sustainability Reporting Guidelines version 3.1 of the Global Reporting Initiative and Environmental Reporting Guidelines of Japan's Ministry of the Environment, and for including the material environmental information defined in the 'Sustainability Reporting Assurance and Registration Criteria' of the Japanese Association of Assurance Organizations for Sustainability Information ("J-SUS") in the Report.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information', 'ISAE 3410, Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board, and the 'Practical Guidelines for the Assurance of Sustainability Information' of J-SUS. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing with the Company's responsible personnel to obtain an understanding of its policy for the preparation of the Report and reviewing the Company's reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical reviews of the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and also recalculating the Indicators.
- Visiting to the Company's factory selected on the basis of a risk analysis.
- Assessing whether or not all the material environmental information defined by J-SUS is included in the Report.
- Evaluating the overall statement in which the Indicators are expressed.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Report, and all the material environmental information defined by J-SUS is not included in the Report. .

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG AZSA Sustainability Co., Ltd.

KPMG AZSA Sustainability Co., Ltd.
Osaka, Japan
August 29, 2014

Third-Party Comments

Comments on the KUBOTA REPORT 2014 - Business and CSR Activities

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

A Report that Links both the Printed and Online Formats

KUBOTA REPORT 2014 is published in both a printed and online format. The two reports have been edited with specific purposes in mind. In my opinion, KUBOTA has successfully achieved its objectives and published a printed report that focuses on readability and an online report that looks to provide a detailed account of the Company's business and CSR activities. The printed version, in particular, can be commended for striking the right balance between visual design and exhaustive information, including quantitative data of the KUBOTA Group's fundamental activities. I believe that the printed version provides a concise account of the Group's business and sustainability activities and goes a long way toward fulfilling the requirements for integrated reporting set out by the International Integrated Reporting Council. The online version is for the most part structured in the same style as the printed version. In providing a more detailed look at the Group's endeavors, the online version is an excellent tool to enhance the understanding of readers of the printed version.

Advancing the Basic CSR Management Policy

The KUBOTA Group engages in business activities based on a clearly defined basic CSR management policy. In particular, the Group is to be highly commended for its systematic approach toward CSR management. The KUBOTA Group has taken explicit steps to clarify the relationship between its Corporate Principle and Rules of Conduct, its approach toward CSR through its business activities and as a basis for those business activities, and its efforts to provide value to society. Moreover, the manner in which the Group identifies specific areas where it can provide value on an individual stakeholder basis and the emphasis placed on each stakeholder's perspective are also desirable facets of the Group's basic CSR management policy. Looking ahead, I believe that the KUBOTA Group can further integrate its business activities with the promotion of CSR management by building a framework that coordinates this emphasis on contributing to stakeholders with its business activities and identifying an index to measure the level and quality of value.

Promoting Communication with Stakeholders

As an important communication tool, it is vital that the Group works diligently to ensure that as many stakeholders as possible read the KUBOTA REPORT. In the online version of the report, the KUBOTA Group has outlined its efforts to promote increased awareness toward its Corporate Principles and CSR in general across its worldwide network of bases. The Group is to be lauded for the implementation of an employee CSR awareness survey and its endeavors to wide-ranging CSR-related communication with employees. In the future, I recommend that the Group upgrade and expand these activities to other stakeholders. Communicating with stakeholders is an important means by which the Group can gain an insight into the critical issues that it continues to face. This insight can also be used in an analysis of materiality and I strongly advise that the Group consider this as a future pending issue.

In response to the above comments

Kunio Suwa, Executive Officer–General Manager of CSR Planning & Coordination Headquarters, KUBOTA Corporation

We have received comments from Professor Kokubu since 2009. KUBOTA would like to thank him for providing his opinion again this fiscal year.

The KUBOTA REPORT 2014 was created with the desire to further enhance communication with our various stakeholders. The printed version was intended to be a gateway for stakeholders relatively unfamiliar with the KUBOTA Group to get a broader understanding of the Group. The online version was intended to be a tool for each stakeholder to get a deeper understanding of areas that pique their interest.

Through its business activities, the Group will redouble efforts to contribute to solving problems related to food, water and the environment, all of which are essential to the survival of the human race. All employees of the Group around the world share the vision of the Kubota Global Identity and set targets in line with their business activities with the aim of building an acclaimed brand everyone trusts.

Corporate Data (As of March 31, 2014)

Corporate Name	KUBOTA Corporation
Head Office	2-47, Shikitsu-higashi 1-chome, Naniwa-ku, Osaka 556-8601 Japan
Established	1890
Capital	¥84.0 billion
Total number of shares issued	1,250,219,180
Number of shareholders	39,117
Revenues (Consolidated)	¥1,508.6 billion
Number of employees (Consolidated)	33,845

The founder of KUBOTA: Gonshiro Kubota (1870–1959)

Directors, Audit & Supervisory Board Members and Executive Officers

(As of July 8, 2014)

Directors

Outside Director	Director and Senior Managing Executive Officer	Representative Director and Executive Vice President	President and Representative Director	Director and Senior Managing Executive Officer	Director and Managing Executive Officer	Outside Director
Yukitoshi Funo*	Kenshiro Ogawa	Toshihiro Kubo	Masatoshi Kimata	Shigeru Kimura	Yuichi Kitao	Yuzuru Matsuda*

Executive Officers

Managing Executive Officers	Executive Officers		
Satoshi Iida	Taichi Ito	Kazuhiro Kimura	Nobuyuki Ishii
Yujiro Kimura	Yoshiyuki Fujita	Dai Watanabe	
Shinji Sasaki	Kaoru Hamada	Haruyuki Yoshida	
Hiroshi Matsuki	Hironobu Kubota	Takao Shomura	
Kunio Suwa	Junji Ogawa	Yuji Tomiyama	
Toshihiko Kurosawa	Yasuo Nakata	Kazunari Shimokawa	
Hiroshi Kawakami	Masato Yoshikawa	Mutsuo Uchida	

Audit & Supervisory Board Members

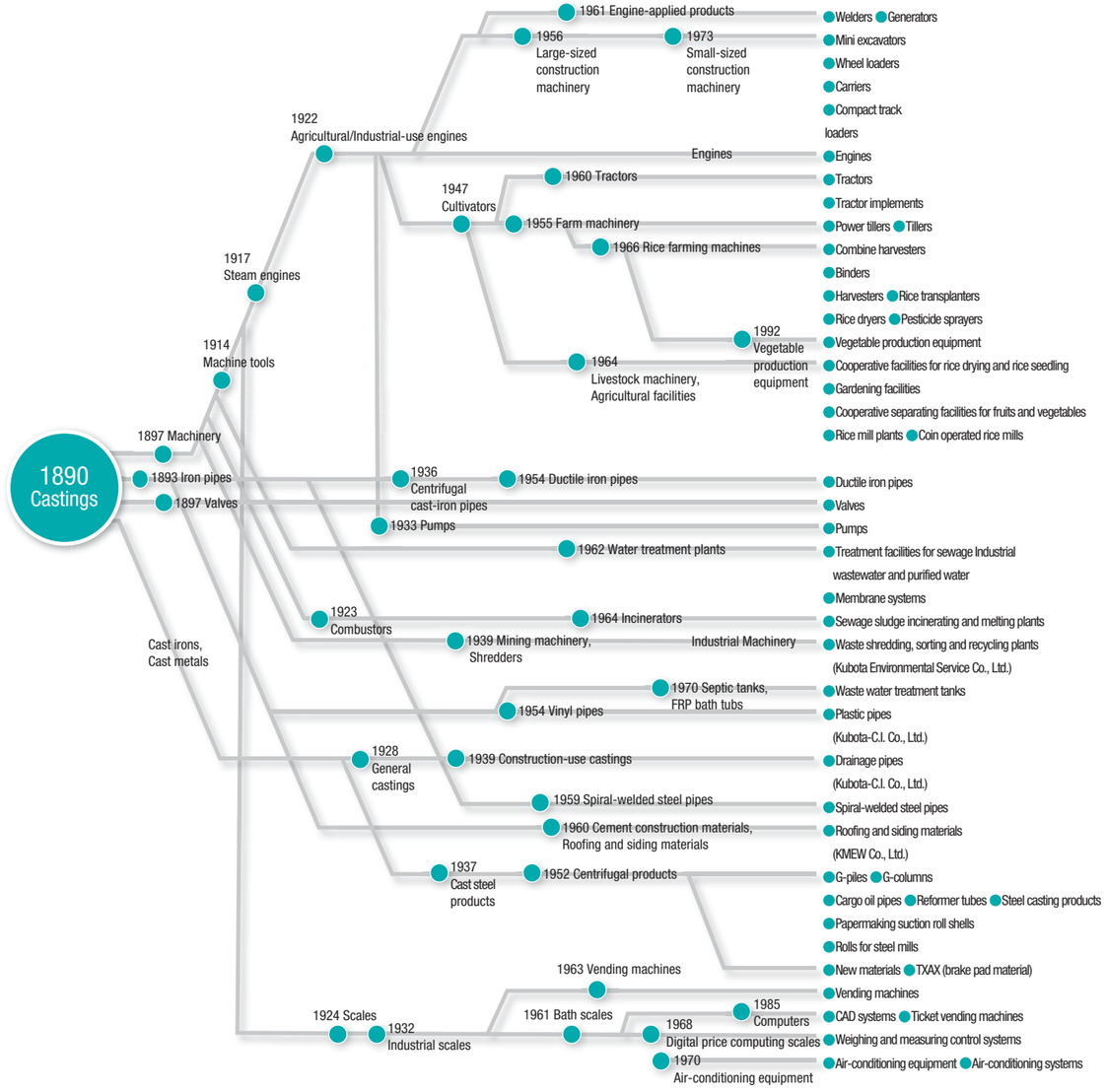
Audit & Supervisory Board Members
Satoru Sakamoto
Toshikazu Fukuyama

Outside Audit & Supervisory Board Members
Masaharu Kawachi
Akira Negishi
Ryoji Sato

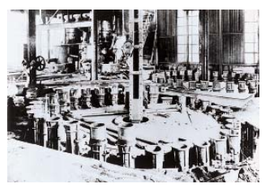
* Designated as independent directors based on the Securities Listing Regulations of the Tokyo Stock Exchange

History of KUBOTA's products

KUBOTA started with production and marketing of cast metal products. Ever since its foundation, it has provided a large variety of products that contribute to people' s lives and society, including iron pipes for waterworks, engines for agricultural and industrial purposes, and machine tools. All of its business organizations and products have been developed under the basic idea that "Society keeps corporations going forward."



Major Products Driving the Development of KUBOTA



Cast iron pipes for water supply (1893)

Oil-based engines for agro-industrial purpose (1922)

Cultivators (1947)

Power shovels (1953)

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

2 Rice transplanters:
used to transplant rice seedlings to the rice paddies. Rice transplanters make a significant labor-saving contribution.

3 Combine harvesters:
simultaneous harvesting and threshing of crops such as rice, wheat and pulses

4 Mini power tillers:
used mainly in agricultural operations, including smaller farms.

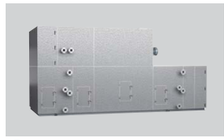
5 Riding mowers:
used for cutting lawns in parks, office areas and private residences.

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

7 Construction machinery (mini backhoes):
used in civil engineering and other operations; especially useful in narrow work areas, such as city streets.

24 TXAX (brake pad material):
used as a friction material, mainly in brake pads.

23 Vending machines:
used for the automatic sales of products, including drinks and cigarettes.



22 Air-conditioning:
used mainly in the centralized air-conditioning of office buildings and plants.

21 Truck scales:
used to measure load capacity for trucks and other equipment.

20 Cast steel:
used at plants in the petrochemical industry for ethylene purification and other operations.

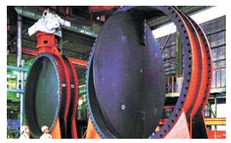
19 Rolls:
used in the rolling process, mainly at steel plants.

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

8 Engines (installed in equipment 1-7)**:**
used as power sources for industrial equipment, including tractors and construction machinery.

9 Iron pipes:
used in infrastructure, including water and sewage lines, as well as gas piping.

10 Earthquake resistant reservoirs:
used to ensure the supply of drinking water when water services are halted due to an earthquake or other disaster.



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

12 Pumps:
used to pump water in water and sewage lines, as well as in storm water drainage.

13 Plastic pipes:
used in infrastructure, including water and sewage lines, as well as gas piping.

14 Ceramic film:
used in the purification process for sources of water, including river water, to create clean drinking water.

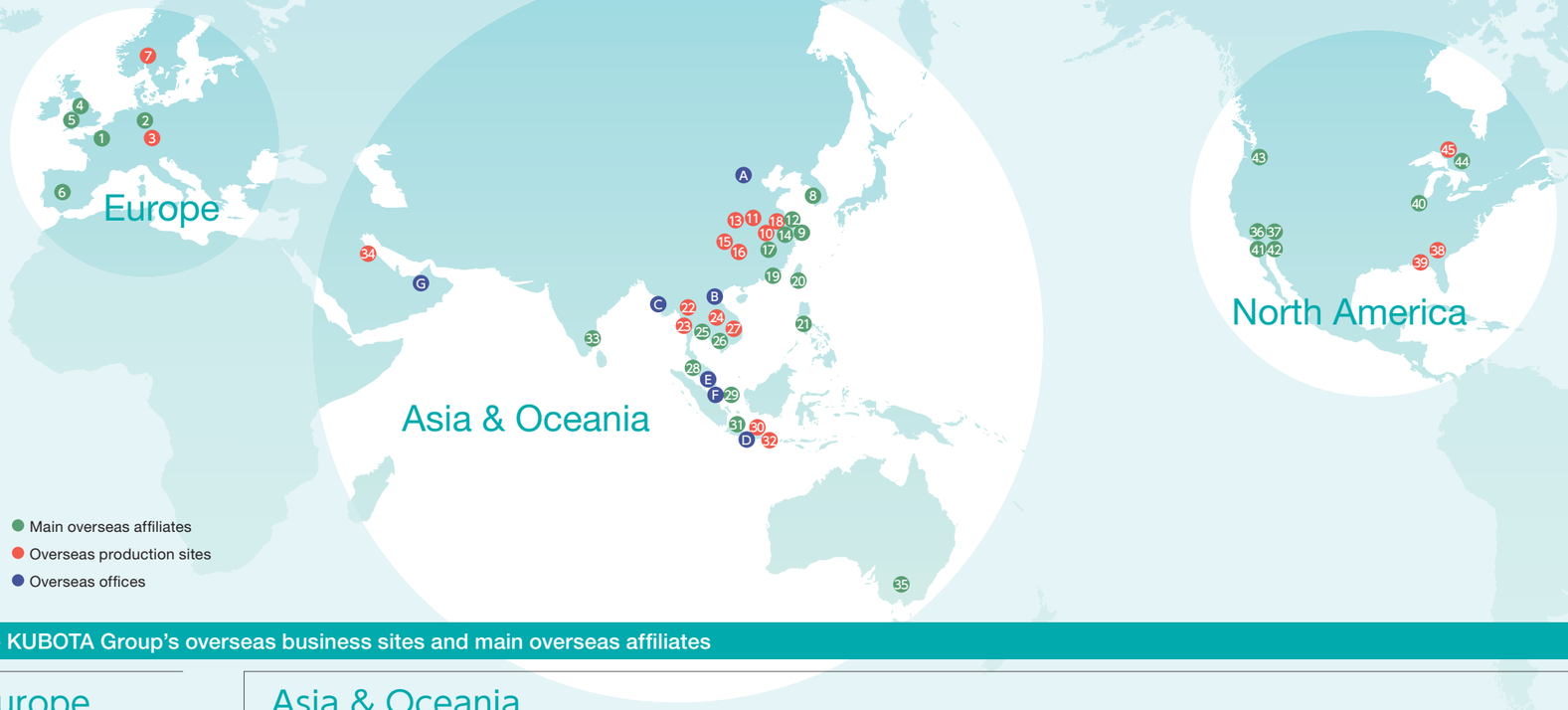
15 Submerged membranes:
used to purify waste water, including industrial and domestic sewage.

16 Waste water treatment tanks:
used to treat sewage in areas where there are no sewage lines.

17 Sewage sludge incinerators:
plants used to incinerate or melt sludge produced during sewage treatment

Global Network (As of July 1, 2014)

Possessing strengths in world-class quality, the KUBOTA Group is accelerating the development of its overseas business activities, including expanding its production, sales and procurement bases.



Plants, offices and main affiliates in Japan

■ Head offices

Head Office
(Osaka)

Hanshin Office
(Amagasaki, Hyogo Prefecture)

Tokyo Head Office
(Tokyo)

■ Regional offices & Branch offices

Hokkaido Regional Office
(Sapporo)

Tohoku Regional Office
(Sendai)

Chubu Regional Office
(Nagoya)

Chugoku Regional Office
(Hiroshima)

Shikoku Regional Office
(Takamatsu)

Kyusyu Regional Office
(Fukuoka)

Yokohama Branch
(Yokohama)

■ Sales Offices

Wakayama Sales Office
(Wakayama)

Kumamoto Sales Office
(Kumamoto)

Okinawa Sales Office
(Naha)

■ Factories, plants and business centers

Sakai Plant
(Sakai, Osaka Prefecture)
Agricultural machinery and engines

Hirakata Plant
(Hirakata, Osaka Prefecture)
Construction machinery, valves, pumps and steel castings

Tsukuba Plant
(Tsukubamirai, Ibaraki Prefecture)
Agricultural machinery and engines

Ryugasaki Plant
(Ryugasaki, Ibaraki Prefecture)
Vending machines

Utsunomiya Plant
(Utsunomiya, Tochigi Prefecture)
Agricultural machinery

Keiyo Plant
(Funabashi/Ichikawa, Chiba Prefecture)
Ductile iron pipes and spiral welded steel pipes

Shiga Plant
(Konan, Shiga Prefecture)
Septic tanks

Hanshin Plant
(Amagasaki, Hyogo Prefecture)
Ductile iron pipes and mill rolls

Kyuhoji Business Center
(Yao, Osaka Prefecture)
Electronic equipped machinery

Okajima Business Center
(Osaka)
Engines and iron castings

■ Main affiliates

15 domestic agricultural machinery sales companies including Hokkaido KUBOTA Corporation (As of July, 2014)
Sales of agricultural machinery

Kubota Farm & Industrial Machinery Service Ltd. (Sakai, Osaka Prefecture)
Integrated agricultural machinery service

Kubota Agri Japan Corporation (Osaka)
Technical and sales guidance on agricultural machinery

Kubota Credit Co., Ltd. (Osaka)
Retail financing of merchandise

KUBOTA Precision Machinery Co., Ltd. (Sakai, Osaka)
Manufacture and sale of hydraulic equipment and other precision machinery components

KUBOTA Construction Machinery Japan Corporation (Amagasaki, Hyogo Prefecture)
Sales of construction machinery

Kubota-C.I. Co., Ltd. (Osaka)
Manufacturing and sales of pipes and couplings in PVC and other polymers

Nippon Plastic Industry Co., Ltd. (Komaki, Aichi Prefecture)
Manufacturing and sales of vinyl pipes and various types of sheets

Kubota Environmental Service Co., Ltd (Tokyo)
Operation, maintenance, design, construction, remodeling and repair of water and waste treatment facilities, along with sales of pharmaceutical and other supplies; analysis of water quality, air, waste, etc.

KUBOTA KASUI Corporation (Tokyo)
Environmental engineering related to treatment of industrial wastewater and waste gases, repair and remodeling work, maintenance management, chemical and other sales

Kubota Air Conditioner, Ltd. (Tokyo)
Manufacturing and sales of various types of air-conditioning equipment

Kubota Construction Co., Ltd. (Osaka)
Service water and sewage, civil engineering and construction contracting

KMEW Co., Ltd. (Osaka)
Manufacturing and sales of roofing and siding materials

The KUBOTA Group's overseas business sites and main overseas affiliates

Europe

1 Kubota Europe S.A.S.
Argenteuil, FRANCE
Sales of tractors, construction machinery, engines, mowers and UVs*

2 Kubota (Deutschland) GmbH
Rodgau/Nieder-Roden, GERMANY
Sales of tractors, engines, mowers and UVs*

3 Kubota Baumaschinen GmbH
Zweibrücken Rheinland-Pfalz, GERMANY
Manufacturing and sales of construction machinery

4 Kubota (U.K.) Ltd.
Oxfordshire, U.K.
Sales of tractors, construction machinery, engines, mowers and UVs*

5 Kubota Membrane Europe Ltd.
London, U.K.
Sales of submerged membranes

6 Kubota España S.A.
Madrid, SPAIN
Sales of tractors, mowers and UVs*

7 Kverneland AS
Kvernaland, NORWAY
Manufacturing and sales of tractor implements

Asia & Oceania

8 Kubota Korea Co., Ltd.
Seoul, KOREA
Sales of tractors, combine harvesters, rice transplanters and construction machinery

9 Kubota China Holdings Co., Ltd.
Shanghai, CHINA
Regional headquarters in China

10 Kubota Agricultural Machinery (SUZHOU) Co., Ltd.
Jiangsu, CHINA
Manufacturing and sales of combine harvesters and other agricultural machinery

11 Kubota Construction Machinery (WUXI) Co., Ltd.
Jiangsu, CHINA
Manufacturing of construction machinery

12 Kubota Engine (SHANGHAI) Co., Ltd.
Shanghai, CHINA
Sales of engines

13 Kubota Engine (WUXI) Co., Ltd.
Jiangsu, CHINA
Manufacturing of vertical type diesel engines

14 Kubota Construction Machinery (SHANGHAI) Co., Ltd.
Shanghai, CHINA
Sales of construction machinery

15 Kubota Guozhen Environmental Engineering (ANHUI) Co., Ltd.
Anhui, CHINA
Plant engineering of membrane bioreactors, and manufacturing and sales of membrane units, for the water treatment market

16 KUBOTA SANLIAN PUMP (ANHUI) Co., Ltd.
Anhui, CHINA
Manufacturing and sales of pumps

17 Kubota Environmental Engineering (SHANGHAI) Co., Ltd.
Shanghai, CHINA
Plant engineering and sales of equipment for the water treatment market

18 Jiangsu Biaoxin Kubota Industrial Co., Ltd.
Jiangsu, CHINA
Manufacturing and sales of steel casting products

19 Kubota Rice Industry (H.K.) Co., Ltd.
Hong Kong, CHINA
Import, milling and sale of Japanese rice

20 Shin Taiwan Agricultural Machinery Co., Ltd.
Kaohsiung City, TAIWAN
Sales of tractors, agricultural machinery, mowers, UVs,* construction machinery and agriculture-related products

21 Kubota Philippines, Inc.
Quezon City, PHILIPPINES
Sales of tractors, combine harvesters, rice transplanters, engines, power tillers, etc.

22 SIAM KUBOTA Corporation Co., Ltd.
Pathumthani, THAILAND
Manufacturing and sales of tractors, combine harvesters, horizontal diesel engines and power tillers, and sales of construction machinery

23 SIAM KUBOTA Metal Technology Co., Ltd
Chachoengsao, THAILAND
Manufacturing of casting components for engines and tractors

24 KUBOTA Engine (Thailand) Co., Ltd.
Chachoengsao, THAILAND
Manufacturing of vertical type diesel engines

25 Siam Kubota Leasing Co., Ltd.
Pathumthani, THAILAND
Retail financing for tractors and combine harvesters

26 Kubota Procurement & Trading (Thailand) Co., Ltd.
Chanthaburi, THAILAND
Procurement and supply of parts for KUBOTA Group production bases

27 Kubota Vietnam Co., Ltd.
Binh Duong Province, VIETNAM
Manufacturing and sales of tractors, combine harvesters and rice transplanters

28 Sime Kubota Sdn. Bhd.
Selangor Darul Ehsan, MALAYSIA
Sales of tractors and engines

29 Kubota Rice Industry(Singapore)PTE.Ltd.
Singapore, SINGAPORE
Import, milling and sale of Japanese rice

30 P.T. Kubota Indonesia
Semarang, INDONESIA
Manufacturing and sales of small diesel engines

31 P.T. Kubota Machinery Indonesia
Jakarta, INDONESIA
Sales of tractors, combine harvesters and rice transplanters

32 P. T. Metec Semarang
Jawa Tengah, INDONESIA
Consignment manufacturing of vending machines and vending machine parts

33 Kubota Agricultural Machinery India Pvt., Ltd.
Chennai, INDIA
Sales of tractors, combine harvesters and rice transplanters

34 Kubota Saudi Arabia Company, LLC
Dammam, SAUDI ARABIA
Manufacturing and sales of steel casting products

35 Kubota Tractor Australia Pty. Ltd.
Victoria, AUSTRALIA
Sales of tractors, construction machinery, engines, mowers and UVs*

A Beijing Office
Beijing, CHINA

B Hanoi Office
Hanoi, VIETNAM

C Myanmar Office
Yangon, M YANMAR

D Jakarta Office
Jakarta, INDONESIA

E Malaysia Branch
Jaya, Selangor, MALAYSIA

F Singapore Branch
Singapore, SINGAPORE

G Dubai Branch
Dubai, UNITED ARAB EMIRATES

North America

36 Kubota Tractor Corporation
California, U.S.A.
Sales of tractors, construction machinery, mowers and UVs*

37 Kubota Credit Corporation U.S.A.
California, U.S.A.
Retail financing of sales contracts

38 Kubota Manufacturing of America Corporation
Georgia, U.S.A.
Development and manufacturing of small-sized tractors, mowers, UVs* and tractor implements

39 Kubota Industrial Equipment Corporation
Georgia, U.S.A.
Development and manufacturing of tractors and implements

40 Kubota Engine America Corporation
Illinois, U.S.A.
Sales of engines and generators

41 Kubota Insurance Corporation
California, U.S.A.
Underwriting non-life insurance

42 Kubota Tractor Acceptance Corporation
California, U.S.A.
Business of insurance agencies in the United States

43 Kubota Membrane U.S.A. Corporation
Washington, U.S.A.
Sales of submerged membranes

44 Kubota Canada Ltd.
Ontario, CANADA
Sales of tractors, construction machinery, engines, mowers and UVs*

45 Kubota Materials Canada Corporation
Ontario, CANADA
Manufacturing and sales of steel casting products, TXAX (brake pad materials)

*UVs: Utility Vehicles