

# **Financial Results for FY 2024 1st Quarter**

**May 10, 2024**

# Financial Summary for FY 2024 1st Quarter

(Unit: billions of yen)	FY 2024 1Q	FY 2023 1Q	Changes	
			Amount	%
<b>Revenue</b>	<b>775.2</b>	<b>781.6</b>	<b>-6.3</b>	<b>-0.8</b>
Japan	154.1	163.6	-9.5	-5.8
Overseas	621.1	618.0	+3.1	+0.5
<b>Operating profit</b>	13.3% <b>103.0</b>	13.2% <b>103.2</b>	<b>-0.3</b>	<b>-0.3</b>
<b>Profit before income taxes</b>	13.7% <b>106.1</b>	13.5% <b>105.5</b>	<b>+0.6</b>	<b>+0.6</b>
<b>Profit attributable to owners of the parent</b>	9.4% <b>72.9</b>	8.8% <b>69.1</b>	<b>+3.8</b>	<b>+5.5</b>

1USD (JPY)	<b>149</b>	<b>132</b>
1EUR (JPY)	<b>161</b>	<b>142</b>
1THB (JPY)	<b>4.17</b>	<b>3.91</b>

The effect of foreign exchange rate on revenue against LY was +63.0 billion yen.

# Revenue by Reportable Segment



## Machinery: 680.2 billion yen (YoY: -4.8)

### Japan

The agricultural machinery market has continued to be weak due to production cost increase even though rice price shows recovery.

### North America

The residential market of tractors has been slightly weaker than assumption due to continuous stagnation in business sentiment. Agricultural market has been coming to be slow more explicitly due to crop price decline. The CE market has been steady thanks to the demand of housing construction and infrastructure development.

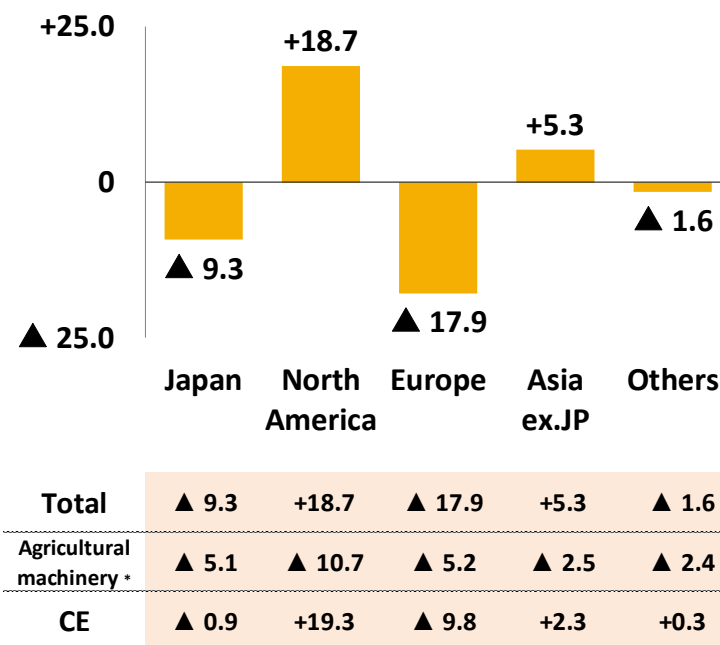
### Europe

The market of CE and Engines slowed down in each country due to investment decrease by the public budget curtailment and interest rate hike. Tractor sales has continued to be sluggish due to continuous weak investment by farmers.

### Asia except Japan

In Thailand, purchasing refrain due to drought has continued while its effect is getting ease gradually. In India, the rice market and the dryland market are shrinking due to water shortage. In China, even though the market has started recovering, it is limited as subsidy reduction was announced by the government.

■ Changes in revenue by region (Billions of yen)



\* Tractors, combine harvesters, and rice transplanters

## Water & Environment: 90.3 billion yen (YoY: -0.7)

Pipe system

In the ductile iron pipes business, a demand and sales shifting to alternative pipes has continued due to the price increase. Sales of plastic pipes decreased due to weak sales for residential market although sales for infrastructure was steady.

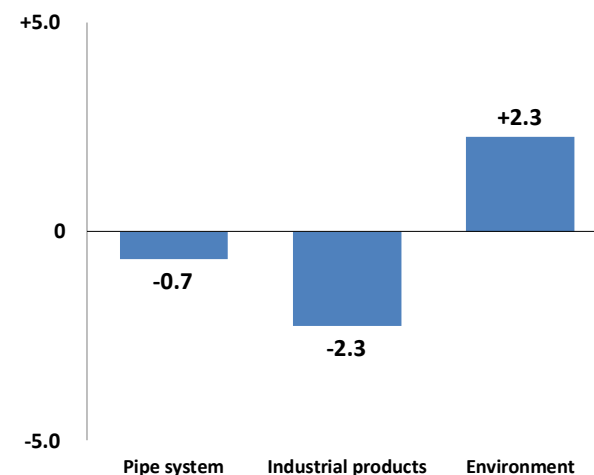
Industrial products

The demand for cracking tubes was firm supported by construction of overseas plant although there was shipment delay.  
In the air-conditioning equipment business, its sales were steady along with the trend to choose Japan as a new factory site although construction delay becomes chronic by a workforce shortage.

Environment

Pumps business was firm and business related to wastewater treatment was also steady thanks to factory construction such as electronic components in Japan. However, both businesses have been affected by construction delay.  
The O&M business has progressed steadily.

■ Changes in revenue by business (Billions of yen)

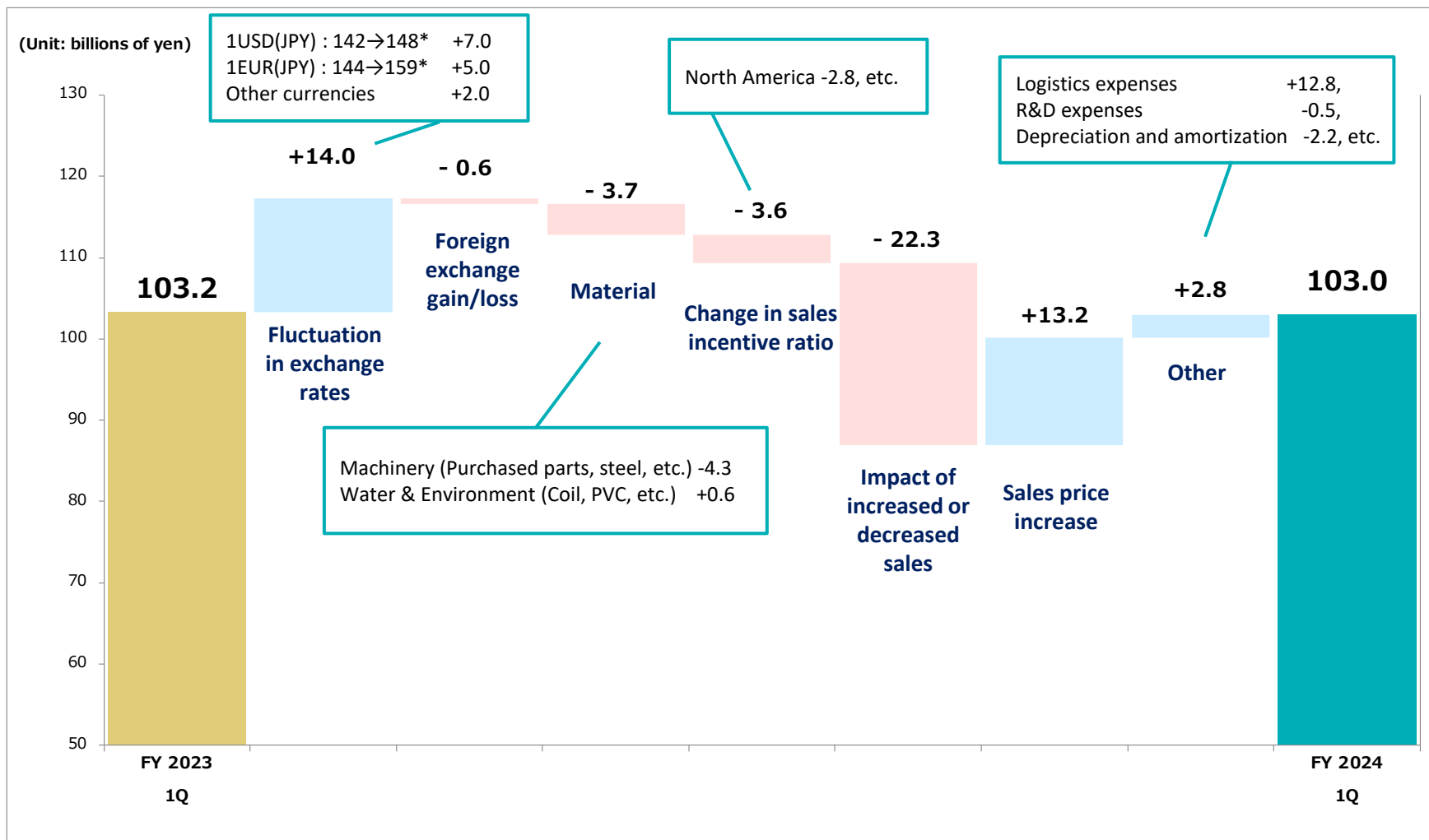


## Other: 4.7 billion yen (YoY: -0.9)

Other is mainly comprised of a variety of other services such as logistics.

# Operating Profit

## Profit analysis (YoY change -0.3 billion yen)



\*Actual exchange rate for the profit pertaining to the export products from Japan in consideration of transportation and inventory periods

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# Supplementary data of U.S.

## ■ YoY growth rate of retail sales units in tractor market by horsepower

		Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2023	0-40hp	-20.1%	-8.4%	-6.8%	-8.5%	-13.0%	-11.2%	-10.7%
	40-120hp	-9.2%	-4.5%	-6.5%	-14.0%	-6.5%	-6.5%	-8.6%
	120-160hp	-0.2%	+0.1%	-0.6%	-9.3%	-0.0%	-0.2%	-3.1%
2024	0-40hp	-17.0%	-	-	-	-	-	-
	40-120hp	-8.4%	-	-	-	-	-	-
	120-160hp	-2.6%	-	-	-	-	-	-

Source: AEM (Association of Equipment Manufacturers)

## ■ YoY growth rate of retail sales units in mini-excavator market (0-6t)

		Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2023		+3.8%	+10.9%	-3.1%	+4.5%	+7.7%	+3.9%	+4.1%
2024		-14.2%	-	-	-	-	-	-

Source: AEM (Association of Equipment Manufacturers)

## ■ YoY growth rate of retail sales units in compact track loader market

		Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2023		+17.4%	+3.3%	+5.9%	+4.0%	+9.4%	+8.2%	+6.9%
2024		-6.9%	-	-	-	-	-	-

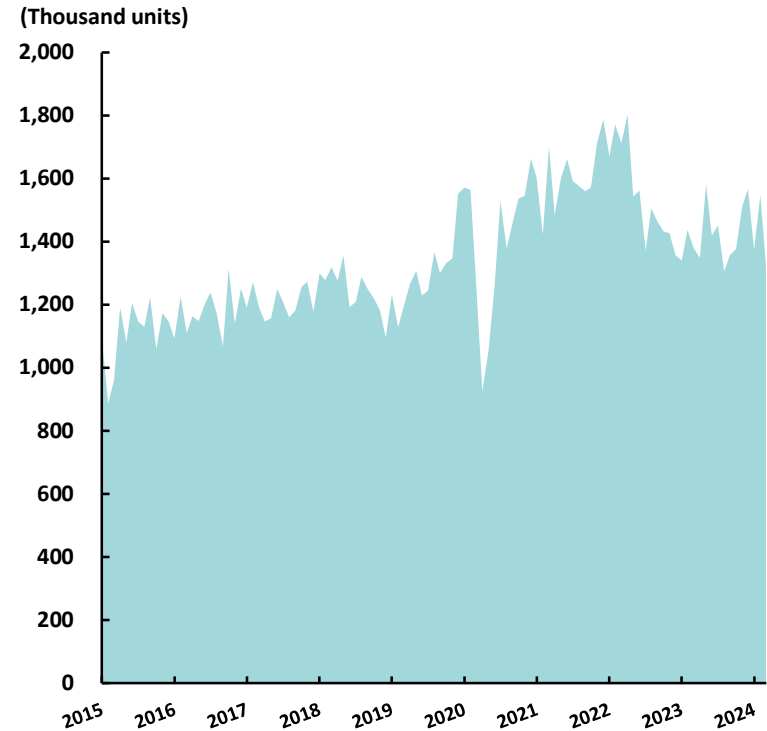
Source: AEM (Association of Equipment Manufacturers)

## ■ YoY growth rate of retail sales units in skid steer loader market

		Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Oct.-Dec.	Jan.-Jun.	Jan.-Sept.	Jan.-Dec.
2023		-5.3%	+4.5%	+7.9%	+28.7%	+0.1%	+2.6%	+10.7%
2024		+3.0%	-	-	-	-	-	-

Source: AEM (Association of Equipment Manufacturers)

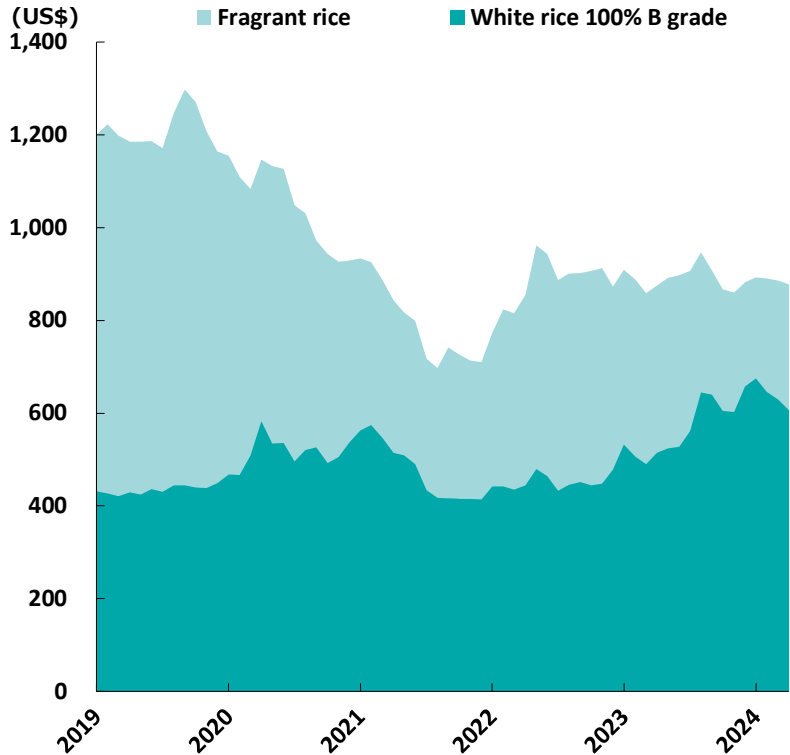
## ■ New privately owned housing units started (Seasonally adjusted annual rate)



Source: U.S. Census Bureau

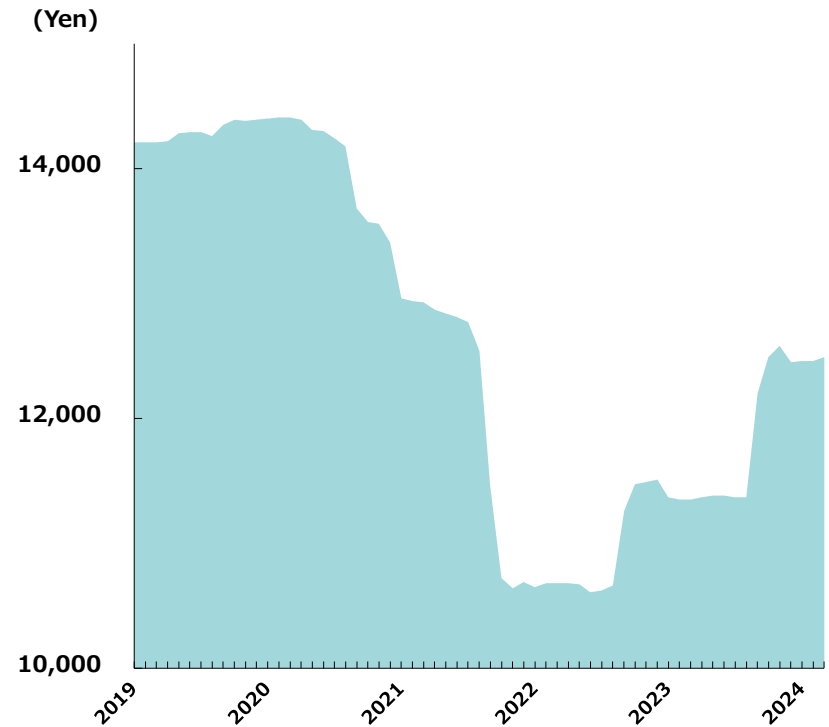
# Supplementary data of Thailand and Japan

■ Export price of Thai rice (US\$/t)



Source: USDA, Thai Rice Exporters Association

■ Producers' price of Japanese rice (yen/ 60kg)



Source: Ministry of Agriculture, Forestry and Fisheries



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## 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.

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