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**RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED  
 DECEMBER 31, 2004 REPORTED BY KUBOTA CORPORATION**

OSAKA, JAPAN, February 3, 2005 ---Kubota Corporation reported its consolidated results of operations for the nine months ended December 31, 2004 today.

**Consolidated Financial Highlights**  
 (Unaudited)

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

(1) Results of operations

	Nine months ended Dec. 31, 2004	% (*)	Nine months ended Dec. 31, 2003	% (*)	Year ended Mar. 31, 2004
Net sales	¥663,595 [ \$6,380,721 ]	7.2	¥619,300	1.6	¥930,237
Operating income	¥71,767 [ \$690,067 ]	360.8	¥15,574	(47.6)	¥21,849
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	¥78,736 [ \$757,077 ]	294.5	¥19,959	34.2	¥27,097
Net income	¥68,590 [ \$659,519 ]	858.4	¥7,157	99.4	¥11,700
Net income per ADS (five common shares)					
Basic	¥258 [ \$2.48 ]		¥27		¥44
Diluted	¥251 [ \$2.41 ]		¥26		¥43

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

2 : The United States dollar amounts included herein represent translations using the approximate exchange rate on December 30, 2004, of ¥104 =US\$1, solely for convenience.

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

(2) Financial position

	Dec. 31, 2004	Dec. 31, 2003	Mar. 31, 2004
Total assets	¥1,216,948 [ \$11,701,423 ]	¥1,098,131	¥1,124,225
Shareholders' equity	¥442,680 [ \$4,256,538 ]	¥374,720	¥391,082
Ratio of shareholders' equity to total assets	36.4%	34.1%	34.8%
Shareholders' equity per ADS	¥1,689 [ \$16.24 ]	¥1,398	¥1,459

Note : The United States dollar amounts included herein represent translations using the approximate exchange rate on December 30, 2004, of ¥104 =US\$1, solely for convenience.

(3) 119 subsidiaries are consolidated, and 33 affiliated companies are accounted for under the equity method.

(4) The number of newly consolidated companies during the period : 4  
 The number of companies newly excluded from consolidated subsidiaries during the period : 4

The number of newly affiliated companies during the period : 2  
 The number of companies newly excluded from affiliated companies during the period : 5

(5) Financial forecast

Anticipated results of operations for the year ending March 31, 2005 ( unchanged )

(Consolidation)

(In millions of yen)

	Year ending March 31, 2005
Net sales	¥970,000
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	¥153,000
Net income	¥110,000

Basic net income per ADS for the year ending March 31, 2005 is anticipated to be ¥420.

Note : Basic net income per ADS for the year ending March 31, 2005 was revised by the number of shares outstanding as of December 31, 2004.

### <Results of Operations>

During the nine months under review, net sales were ¥663.6 billion, a 7.2 % increase from the corresponding period in the prior year.

Domestic sales decreased 0.3 % to ¥401.4 billion from the corresponding period in the prior year. In Internal Combustion Engine and Machinery segment, sales of farm equipment increased. The reinforcement of product line-up and elaborated sales promotion resulted in this sales increase and expansion of market share. Sales of construction machinery also grew smoothly supported by the favorable demand. In Pipes, Valves, and Industrial Castings segment, sales of Pipes and Valves rose owing to the improvement in sales prices in spite of unfavorable market conditions. Sales of Industrial Castings also rose thanks to brisk capital expenditures especially in the steel and petroleum industries. On the other hand, sales in Environmental Engineering segment, sales declined because of the decrease in shipment of Waste Engineering division, and in "Other" segment, sales decreased resulting from the business transfer of the building materials operations in the prior year.

Overseas sales increased 21.0 % to ¥262.2 billion from the corresponding period in the prior year. While the demand for tractors in the North American market maintained growth, sales of tractors rose and introduction of new models added further growth. Additionally, sales of engines and construction machinery expanded rapidly in the U.S. and EU markets.

Operating income was ¥71.8 billion, 360.8 % increase from the corresponding period in the prior year. The positive factors such as sharp decline in pension cost by ¥32.8 billion, brisk overseas sales in Internal Combustion Engine and Machinery segment, and cost reduction in public works related businesses overcame the negative effects of sharp price increases in raw materials and appreciation of yen, and led to the sharp increase in operating income.

Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies was ¥78.7 billion, 294.5 % increase from the corresponding period in the prior year due to the increase in interest and dividend income as well as an increase in operating income. As a result, after income taxes, minority interests in earnings of subsidiaries and equity in net income of affiliated companies, net income was ¥68.6 billion, 858.4 % increase from the corresponding period in the prior year.

### <Financial Position>

(Comparison with the end in corresponding period in the prior year)

Total assets at the end of December 2004 amounted to ¥1,216.9 billion, an increase of ¥118.8 billion (10.8%) from the corresponding period in the prior year. Current assets increased due to the increase in short-term finance receivables and accounts receivable, while investment increased due to the increase in long-term finance receivables and market valuation of securities.

The balance of interest-bearing debt was ¥312.1 billion, an increase of ¥33.2 billion. This was because capital was raised mainly through borrowing from financial institutions rather than through sales of finance receivables. Shareholders' equity increased due to the increase of net income and unrealized gains on securities.

(Comparison with the end in the prior year)

Compared with those at the end of March 2004, total assets increased ¥92.7 billion (8.2%). Notes and accounts receivable increased and inventories decreased. These fluctuations were caused by the seasonality in the due course of business of Kubota Corporation. Investment had an increase due to the increase in long-term finance

receivables.

The balance of interest-bearing debt increased by ¥45.4 billion, however, interest-bearing debt, excluding the debt related to sales financing programs, decreased ¥20.6 billion to ¥163.3 billion. Shareholders' equity grew by ¥51.6 billion, and the ratio of shareholders' equity to total liabilities and shareholders' equity was 36.4 %, 1.6 percentage points increase.

< Cautionary Statements with Respect to Forward – Looking Statements >

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

## Consolidated Statements of Income

(Unaudited)

(In millions of yen)

	Nine months ended Dec. 31, 2004		Nine months ended Dec. 31, 2003		Change		Year ended Mar. 31, 2004	
	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	663,595	100.0	619,300	100.0	44,295	7.2	930,237	100.0
Cost of sales	475,472	71.7	466,496	75.3	8,976	1.9	701,727	75.4
Selling, general, and administrative expenses	122,882	18.5	137,091	22.2	(14,209)	(10.4)	199,768	21.5
Loss (gain) from disposal and impairment of business and fixed assets	(6,526)	(1.0)	139	0.0	(6,665)	-	6,893	0.8
<b>Operating income</b>	<b>71,767</b>	<b>10.8</b>	<b>15,574</b>	<b>2.5</b>	<b>56,193</b>	<b>360.8</b>	<b>21,849</b>	<b>2.3</b>
Other income (expenses):								
Interest and dividend income	6,953		5,772		1,181		7,264	
Interest expense	(3,160)		(3,240)		80		(4,286)	
Foreign exchange gains (losses)	1,859		(1,004)		2,863		(1,534)	
Other-net	1,317		2,857		(1,540)		3,804	
<b>Other income, net</b>	<b>6,969</b>		<b>4,385</b>		<b>2,584</b>		<b>5,248</b>	
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	78,736	11.9	19,959	3.2	58,777	294.5	27,097	2.9
Income taxes	8,910		11,119		(2,209)		13,701	
Minority interests in earnings of subsidiaries	3,098		2,287		811		2,476	
Equity in net income of affiliated companies	1,862		604		1,258		780	
<b>Net income</b>	<b>68,590</b>	<b>10.3</b>	<b>7,157</b>	<b>1.2</b>	<b>61,433</b>	<b>858.4</b>	<b>11,700</b>	<b>1.3</b>

(In yen)

Basic earnings per ADS (five common shares):	258	27	44
Diluted earnings per ADS (five common shares):	251	26	43

## Consolidated Balance Sheets

(Unaudited)

Assets

(In millions of yen)

	Dec. 31, 2004		Dec. 31, 2003		Change	Mar. 31, 2004	
	Amount	%	Amount	%	Amount	Amount	%
<b>Current assets:</b>							
Cash and cash equivalents	79,055		85,029		(5,974)	81,221	
Short-term investments	-		-		-	3,001	
Notes and accounts receivable	243,324		221,267		22,057	278,258	
Short-term finance receivables	63,785		46,753		17,032	47,065	
Inventories	175,901		176,013		(112)	142,973	
Other current assets	92,493		72,064		20,429	61,909	
Total current assets	654,558	53.8	601,126	54.7	53,432	614,427	54.7
<b>Investments:</b>	274,068	22.5	208,557	19.0	65,511	228,243	20.3
<b>Property, plant, and equipment:</b>	219,225	18.0	224,798	20.5	(5,573)	222,746	19.8
<b>Other assets:</b>	69,097	5.7	63,650	5.8	5,447	58,809	5.2
<b>Total</b>	1,216,948	100.0	1,098,131	100.0	118,817	1,124,225	100.0

Liabilities and Shareholders' Equity

(In millions of yen)

	Dec. 31, 2004		Dec. 31, 2003		Change	Mar. 31, 2004	
	Amount	%	Amount	%	Amount	Amount	%
<b>Current liabilities:</b>							
Short-term borrowings	125,571		108,617		16,954	85,999	
Trade notes and accounts payable	205,473		187,521		17,952	193,706	
Other current liabilities	98,861		95,441		3,420	99,117	
Current portion of long-term debt	70,903		31,565		39,338	35,858	
Total current liabilities	500,808	41.1	423,144	38.6	77,664	414,680	36.9
<b>Long-term liabilities:</b>							
Long-term debt	115,594		138,729		(23,135)	144,845	
Accrued retirement and pension costs	133,584		132,915		669	143,679	
Other long-term liabilities	2,741		14,131		(11,390)	14,293	
Total long-term liabilities	251,919	20.7	285,775	26.0	(33,856)	302,817	26.9
<b>Minority interest:</b>	21,541	1.8	14,492	1.3	7,049	15,646	1.4
<b>Shareholders' equity:</b>							
Common stock	78,156		78,156		-	78,156	
Additional paid-in capital	87,263		87,263		-	87,263	
Legal reserve	19,539		19,539		-	19,539	
Retained earnings	240,876		199,613		41,263	204,156	
Accumulated other comprehensive income	32,818		14,289		18,529	26,075	
Treasury stock	(15,972)		(24,140)		8,168	(24,107)	
Total shareholders' equity	442,680	36.4	374,720	34.1	67,960	391,082	34.8
<b>Total</b>	1,216,948	100.0	1,098,131	100.0	118,817	1,124,225	100.0

## Consolidated Segment Information by Industry Segment

(Unaudited)

Nine months ended Dec. 31, 2004

(In millions of yen)

		Internal Combustion Engine & Machinery	Pipes, Valves & Industrial Castings	Environmental Engineering	Other	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	439,740	119,728	31,874	72,253	663,595	-	663,595
	Intersegment	77	5,143	139	11,857	17,216	(17,216)	-
	Total	439,817	124,871	32,013	84,110	680,811	(17,216)	663,595
Cost of sales and operating expenses		376,432	115,964	33,960	74,337	600,693	(8,865)	591,828
Operating income (loss)		63,385	8,907	(1,947)	9,773	80,118	(8,351)	71,767

Nine months ended Dec. 31, 2003

(In millions of yen)

		Internal Combustion Engine & Machinery	Pipes, Valves & Industrial Castings	Environmental Engineering	Other	Total	Corporate & Eliminations	Consolidated
Net sales	Unaffiliated customers	368,522	122,301	33,804	94,673	619,300	-	619,300
	Intersegment	9	3,698	575	11,313	15,595	(15,595)	-
	Total	368,531	125,999	34,379	105,986	634,895	(15,595)	619,300
Cost of sales and operating expenses		325,563	130,748	39,720	110,660	606,691	(2,965)	603,726
Operating income (loss)		42,968	(4,749)	(5,341)	(4,674)	28,204	(12,630)	15,574

Year ended Mar. 31, 2004

(In millions of yen)

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

(\*) Please refer to Note 7 on page 8.

Notes:

1. The United States dollar amounts included herein represent translations using the approximate exchange rate on December 30, 2004, of ¥104 = US\$1, solely for convenience.

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

3. 119 subsidiaries are consolidated.

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

4. 33 affiliated companies are accounted for under the equity method.

Major affiliated companies :	Domestic	21 sales companies of farm equipment, Kubota Matsushitadenko Exterior Works, Ltd.
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5. Summary of accounting policies

- i ) The accompanying consolidated financial information has been prepared in accordance with accounting principles generally accepted in the United States of America except for the presentation for segment information described in ii ).
- ii ) The consolidated segment information is prepared in accordance with a requirement of the Japanese Securities and Exchange regulations. This disclosure is not consistent with SFAS No.131, “Disclosures about Segments of an Enterprise and Related Information”.

6. Restatement

Finance receivables were previously classified into notes and accounts receivable in current assets on the consolidated balance sheets. However, pursuant to “Current Assets and Current Liabilities” in Accounting Research Bulletin No.43 “Restatement and Revision of Accounting Research Bulletins”, the Company reconsidered its classification of these receivables and restated finance receivables into two segments ; “Short-term finance receivables” in current assets and “Long-term finance receivables” in investments. The short-term portion includes finance receivables that become due within one year, and the long-term portion includes amounts that become due after one year. Due to this change, the amounts presented in the balance sheets as of March 31, 2004 and December 31, 2003 have been restated to conform to the presentation in the balance sheets as of December 31, 2004.

7. Change in industry segment



## Consolidated Net Sales by Product Group

(Unaudited)

(In millions of yen)

	Nine months ended Dec. 31, 2004		Nine months ended Dec. 31, 2003		Change		Year ended Mar. 31, 2004	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Farm Equipment and Engines</b>	<b>393,532</b>	<b>59.3</b>	<b>331,795</b>	<b>53.6</b>	<b>61,737</b>	<b>18.6</b>	<b>450,740</b>	<b>48.4</b>
Domestic	172,779		158,806		13,973	8.8	219,786	
Overseas	220,753		172,989		47,764	27.6	230,954	
<b>Construction Machinery</b>	<b>46,208</b>	<b>7.0</b>	<b>36,727</b>	<b>5.9</b>	<b>9,481</b>	<b>25.8</b>	<b>50,811</b>	<b>5.5</b>
Domestic	18,010		15,090		2,920	19.4	23,192	
Overseas	28,198		21,637		6,561	30.3	27,619	
<b>Internal Combustion Engine &amp; Machinery</b>	<b>439,740</b>	<b>66.3</b>	<b>368,522</b>	<b>59.5</b>	<b>71,218</b>	<b>19.3</b>	<b>501,551</b>	<b>53.9</b>
Domestic	190,789	28.8	173,896	28.1	16,893	9.7	242,978	26.1
Overseas	248,951	37.5	194,626	31.4	54,325	27.9	258,573	27.8
<b>Pipes and Valves</b>	<b>96,663</b>	<b>14.5</b>	<b>102,954</b>	<b>16.6</b>	<b>(6,291)</b>	<b>(6.1)</b>	<b>143,773</b>	<b>15.4</b>
Domestic	94,189		92,143		2,046	2.2	130,656	
Overseas	2,474		10,811		(8,337)	(77.1)	13,117	
<b>Industrial Castings</b>	<b>23,065</b>	<b>3.5</b>	<b>19,347</b>	<b>3.1</b>	<b>3,718</b>	<b>19.2</b>	<b>31,405</b>	<b>3.4</b>
Domestic	14,808		12,236		2,572	21.0	21,844	
Overseas	8,257		7,111		1,146	16.1	9,561	
<b>Pipes, Valves &amp; Industrial Castings</b>	<b>119,728</b>	<b>18.0</b>	<b>122,301</b>	<b>19.7</b>	<b>(2,573)</b>	<b>(2.1)</b>	<b>175,178</b>	<b>18.8</b>
Domestic	108,997	16.4	104,379	16.8	4,618	4.4	152,500	16.4
Overseas	10,731	1.6	17,922	2.9	(7,191)	(40.1)	22,678	2.4
<b>Environmental Engineering</b>	<b>31,874</b>	<b>4.8</b>	<b>33,804</b>	<b>5.5</b>	<b>(1,930)</b>	<b>(5.7)</b>	<b>115,721</b>	<b>12.4</b>
Domestic	29,996	4.5	31,144	5.0	(1,148)	(3.7)	112,381	12.1
Overseas	1,878	0.3	2,660	0.5	(782)	(29.4)	3,340	0.3
<b>Building Materials and Housing</b>	<b>17,800</b>	<b>2.7</b>	<b>45,278</b>	<b>7.3</b>	<b>(27,478)</b>	<b>(60.7)</b>	<b>51,823</b>	<b>5.6</b>
Domestic	17,800		45,278		(27,478)	(60.7)	51,823	
<b>Other</b>	<b>54,453</b>	<b>8.2</b>	<b>49,395</b>	<b>8.0</b>	<b>5,058</b>	<b>10.2</b>	<b>85,964</b>	<b>9.3</b>
Domestic	53,798		47,844		5,954	12.4	83,664	
Overseas	655		1,551		(896)	(57.8)	2,300	
<b>Other</b>	<b>72,253</b>	<b>10.9</b>	<b>94,673</b>	<b>15.3</b>	<b>(22,420)</b>	<b>(23.7)</b>	<b>137,787</b>	<b>14.9</b>
Domestic	71,598	10.8	93,122	15.1	(21,524)	(23.1)	135,487	14.6
Overseas	655	0.1	1,551	0.2	(896)	(57.8)	2,300	0.3
<b>Total</b>	<b>663,595</b>	<b>100.0</b>	<b>619,300</b>	<b>100.0</b>	<b>44,295</b>	<b>7.2</b>	<b>930,237</b>	<b>100.0</b>
Domestic	401,380	60.5	402,541	65.0	(1,161)	(0.3)	643,346	69.2
Overseas	262,215	39.5	216,759	35.0	45,456	21.0	286,891	30.8