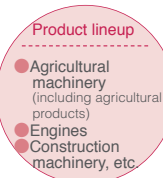


Results by Business Field

Internal Combustion Engine and Machinery Segment



Machinery Dealers Meeting



The 62nd Machinery Group Dealers Meeting was held on 15 and 16 January, 2009 at the Kyoto International Conference Center, with the participation of about 4,700 people including Japanese agricultural and construction machinery dealers and visitors to the exhibition.

On the first day of the meeting, we announced our slogan for FY2009, "Challenge! Active Agriculture through Change! Promote Management Reform," and communicated the KUBOTA Group's commitment to "contributing to invigorating agriculture in Japan" and "developing products friendly to people, crops, and the environment." We also encouraged the participants to join efforts to overcome the difficult market conditions.

In the exhibition held on the second day, we showed 142 "hot" KUBOTA-brand products, while introducing a new combine harvester, the "AEROSTAR DYNAMAX," and other tractors, combine harvesters, and rice transplanters on the main stage by using a large screen.



The exhibition site



The "AEROSTAR DYNAMAX," a new combine harvester unveiled during the meeting



Our U.S. subsidiary, Kubota Tractor Corporation, held a dealers meeting from September 14 to 20, 2008 in Charlotte, North Carolina with the participation of about 2,000 dealers from around the country.

During the meeting, 13 models (33 types) were unveiled, and more orders were placed by dealers than initially anticipated despite the harsh business environment.



Dealers meeting



Siam Kubota Industry Co., Ltd. (SKI) held a dealers meeting on March 28, 2009 at Siam Kubota Tractor, a new tractor plant in Thailand. The meeting featured a grand unveiling of the first tractor manufactured in Thailand by SKI, along with new loaders, construction machinery and other products, together with their demonstrations.



Product demonstration



Participants in the dealers meeting

KUBOTA launched the "AEROSTAR DYNAMAX," a large combine harvester that helps large-scale farmers enhance management efficiency.

In February 2009, we introduced a new four-row combine harvester, the "AEROSTAR DYNAMAX," (available in two types), a completely restyled version of the "AEROSTAR PRO." Designed to enhance overall cost performance by reducing work hours required for harvesting and increasing efficiency, this product brings the following advantages to users.

- (1) The fastest harvesting speed among products of this class enables larger-scale farming and farm management.
- (2) Outstanding operability and comfortable cabin space make harvesting less tiring even if the work lasts long hours and covers an extensive area.
- (3) Wide openings make maintenance extremely easy.



AEROSTAR DYNAMAX ER467

A successor to our small-scale construction machinery (1.5-ton mini excavator) was introduced to achieve greater user friendliness and security.

We began marketing ZEPH Series U-17, which was restyled on the U-15-3S reduced-tail-swing mini-excavator. Boasting the highest performance capabilities in this market segment, the new product produces less vibration while in use and is equipped with an anti-theft device as standard.

ZEPH Series U-17



KUBOTA began marketing the New Midy TMA 350, a mini-tiller for home gardeners with greater ease of use and safety.

New Midy is a restyled version of Midy Sai-ning, a mini axle-driven tiller for home gardeners. A variety of improvements are incorporated in the design of this new product to ensure greater ease of handling and safety. With the labor-saving tilling rotor, easy-to-use ridge forming mat, and high driving power, this product can be easily operated by anyone, enabling stable soil plowing and smooth and neat ridge formation.



New Midy TMA350

Highlight

KUBOTA introduced the KINGEYE MAX Series, a new series of tractors equipped with an environmentally friendly clean engine, which can be easily handled even by senior users.

Japanese small-scale farmers are now experiencing hardships due to the aging of the part-time farming households that have held the dominant position in the Japanese farm industry. To encourage and support individual farmers, KUBOTA has developed the new KINGEYE MAX tractors in pursuit of greater "friendliness and strength," which can be easily handled even by senior users.



KT 255
(equipped with a crawler cabin)

The new tractors are equipped with a fuel-efficient new clean engine that conforms to the Phase 2 emissions standards for special motor vehicles in Japan.



The clean-emission engine ensures comfortable operation even in a greenhouse.

Designed to reduce noise, these products can be used in fields in urbanized area, and also makes operation less stressful for users.



The tractors are designed for quiet operation so that they can be used in fields adjacent to residential areas.

With the fully equipped cabin, users are assured of comfortable and safe operation.



The standard-equipped CD player and air conditioner, high seat backrest and other fittings contribute to the high level of cabin comfort.

VOICE



KUBOTA tractors offer outstanding ease of operation and safety at a reasonable price.

Akihisa Okano

Section Manager,
Tractor Engineering Department

Most Japanese part-time farming households carry out farm work involving all members of the family — husband, wife, daughters, and others. The needs of these farming customers can be best met by offering tractors that can be easily operated by anyone. This series of KUBOTA tractors are not high-end products; instead, they are provided with the minimum functions necessary to cater to small-scale farmers' needs, and offered at reasonable prices. We will remain committed to improving our products to better address the needs of part-time farming households and help them continue farming. It is our great pleasure to receive favorable feedback from satisfied users.

Results by Business Field

Pipes, Valves and Industrial Castings Segment

Product lineup

- Piping systems (Ductile iron pipes, spiral welded steel pipes, synthetic/composite pipes, valves, etc.)
- Industrial castings and materials

A ductile iron plant has been inaugurated in Kharagpur, India to make water supply services available in more regions in that country.

In October 2007, KUBOTA established Tata Metaliks Kubota Pipes Limited in India as a joint venture with Tata Metaliks Ltd., a member of the Tata Group, an Indian conglomerate, and Metal One Corporation, a Japanese company dealing in iron and steel products. Under this joint venture, construction of a ductile iron plant was underway in Kharagpur in India. On March 7, 2009, a ceremony was held to celebrate the completion of this plant, and Chairman Hatakake and President Masumoto attended the ceremony on behalf of KUBOTA. Initially, this plant will manufacture 110,000 tons of 80–800 mm straight pipes per year to assist in introducing water supply services in India.



Chairman Hatakake (third from right) and President Masumoto (second from right) at the completion ceremony

KUBOTA has developed joints for preventing the slip-off of ductile iron pipes, which are suitable for long-distance transportation of water. By applying earthquake resistance technologies developed in Japan, KUBOTA is contributing to the protection of lifelines around the world.

Countries and regions with little rain need long-distance pipelines to transport a huge amount of water from water sources. However, a high thrust force is generated at the bends of such pipelines, which poses a serious problem. To cope with this problem, KUBOTA has developed joints for preventing the slip-off of ductile iron pipes. By applying the technologies developed through our earthquake resistance efforts to the objective of long-distance transportation of water, we are contributing to the establishment of water lifeline systems in developing and emerging countries.



KUBOTA's new joints were adopted by the U.A.E. for their 47-km pipeline composed of huge 1,600-mm-diameter iron pipes.

Highlight

KUBOTA has launched the X-MERT,*1 an innovation long coveted by petrochemical plants manufacturing products that support our lives: this new product is expected to increase productivity and reduce environmental impacts.

*1: MERT stands for Mixing Element Radiant Tube.

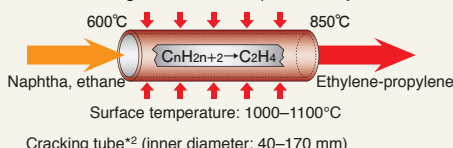
Ethylene is one of the most important materials for making the plastics and other petrochemical products that have become our daily necessities. KUBOTA has succeeded in a breakthrough improvement of the conventional cracking coil that plays a central role in the ethylene production process, enabling a dramatic increase in productivity.



The cracking coil is an integral element of a pyrolysis furnace.

Major problem of conventional cracking coils

Ethylene is produced by letting materials flow into a cracking coil installed in a pyrolysis furnace and instantly heating them to 850°C. In the conventional method, however, some of the materials overheat and cause soot-like carbon particles to adhere to the inner surface of the coil, resulting in a decline in productivity.



Cracking tube*2 (inner diameter: 40–170 mm)

*2: A cracking coil consists of between several and a few dozen cracking tubes.

The MERT sent a shock wave across the industry

In 1997, KUBOTA introduced an innovative product called the MERT, incorporating spiral fins inside conventional simple pipe-shaped cracking coils. This product largely prevented the adhesion of carbon particles and drastically increased production efficiency.



The MERT is equipped with helical fins which stir the flow and make carbon particles less adhesive

A new product that has finally overcome a longstanding problem

However, one problem remained: the spiral fins prevented the smooth flow of materials through the coil. In 2008, after years of research, KUBOTA completed development of a new product, the X-MERT, that has entirely overcome this problem. This product is drawing much attention worldwide.



The new X-MERT employs slit fins and a narrower helix.

VOICE



As production volume increases, so does the number of days of continuous plant operation. The X-MERT reduces CO₂ emissions and contributes to environmental protection.

Masaki Miyake

R & D Project Management Group,
Material R & D Department, Steel Castings Division

The MERT not only increases the productivity of ethylene plants but also reduces CO₂ emissions. Highly acclaimed for these capabilities, this product has rapidly gained popularity in the marketplace and now holds the second largest market share in the world. The X-MERT is an improved version of the Slit-MERT that incorporates slit fins. I believe that the new product, with its ability to facilitate smoother flow of materials and improve yields, will be introduced to an increasing number of plants.

Results by Business Field ● Environmental Engineering Segment

Product lineup

- Environmental control plants
- Pumps, etc.

KUBOTA's submerged membranes are being used in wastewater treatment facilities in Vietnam to improve the water resource environment.

Since November 2008, KUBOTA's submerged membranes have been used in domestic wastewater treatment facilities in the Thang Long Industrial Park in Vietnam where many Japanese companies are located. With the introduction of a tighter wastewater control policy, Vietnam is seeing growing demand for wastewater treatment systems utilizing membranes, called membrane bioreactor (MBR) activated sludge reactor systems. This state-of-the-art system treats wastewater effectively, without requiring much space. Today, some countries and regions in the Middle East and Asia are being pressed to introduce water resource recycling systems to cope with water shortages, and to develop new infrastructure in line with economic development. Against this backdrop, submerged membranes are expected to be used for a wider range of purposes.



Wastewater treatment facilities in operation

EK400 submerged membrane unit



KUBOTA's "super" high-lift pumps have been adopted for wastewater treatment in Kuwait to improve the living environment of citizens.

In July 2008, KUBOTA was awarded an order for "super" high-lift pumps with a pumping height of 120 m to be used for pressure transport of wastewater from the Jahrah District in the western part of Kuwait City to wastewater treatment facilities. High-performance pumps of this class are available only from a limited number of manufacturers in the world. KUBOTA's product was selected because of the size of its impeller passage and operational efficiency that were deemed superior to competitors. Due to its outstanding performance, this product has met the customer's needs with a smaller number of units than initially expected, thus bringing the benefit of reduced construction and maintenance cost to the customer.



Trial operation of pump

Results by Business Field ● Life Environment-Related Segment

Product lineup

- Vending machines
- Electronics-equipped machinery
- Air-conditioning equipment
- Johkasou (wastewater treatment tanks)
- Construction, etc.

KUBOTA has introduced the "KJ" small-scale Johkasou (wastewater treatment tank) that boasts higher treatment capability and energy-saving performance.



"KJ" small-scale Johkasou (wastewater treatment tank)

Capable of removing total nitrogen and suspended solids as well as organic substances, this new tank boasts greater environmental efficiency and more advanced treatment capability than do conventional models. This product is one of the shallowest tanks in the industry, enabling easy installation. Also, it consumes about 30% less energy than do conventional models thanks to a highly energy-efficient blower. All these features make it a high-quality, well-balanced product.

KUBOTA's new heat-pump beverage vending machine is renowned for outstanding energy-saving performance, requiring 42% less energy than do conventional models.

In May 2008, KUBOTA launched an ultra-energy-saving beverage vending machine that can cut electricity bills by as much as 40%. Under the Energy-Saving Law, Japanese manufacturers are obligated to achieve the difficult goal of reducing the power consumption of beverage vending machines by 36% by 2012 from the 2005 level. We have continued steady efforts to meet this goal, improving thermal insulation materials and employing energy-saving operating methods. As a result of these efforts, we have succeeded in developing a new vending machine that consumes 42% less energy than do conventional models (by JIS standards). Such a drastic reduction has been made possible by employing a heat pump that effectively utilizes heat in the atmosphere to warm products sold in vending machines. KUBOTA will remain committed to developing more effective, user-friendly, and environmentally friendly vending machines.



The new product (KB301A6P3BHP-W) employs a heat pump (R134a refrigerant).