

# Economic Reporting

## Business Activities in FY2004

Base on the basic principle, "society keeps corporations going forward," we have worked enthusiastically to provide products and services satisfactory to customers in order to exist as a company trusted by our stakeholders, investors, customers, employees and communities. As a result, sales and ordinary profits reached record highs in the year ended March 2005. Here are some highlights of our business activities during the fiscal 2004.

### Farm and Industrial Machinery Division

Our Universal Design Receives High Marks.

#### The "King Bull" KB20 Wins a Good Design Award

Our small tractor, the "King Bull" KB20, launched in a market in July 2004, received a 2004 Good Design Award from the Japan Industrial Design Promotion Organization on October 1, 2004. The KB20 received high marks for its sophisticated exterior style and the universal design of the driver's area that offer easy driving.

"Universal design" is meant to be usable by all people, regardless of age, sex, or physical ability. In Kubota our agricultural machinery was designed based on this concept. The 16-20 horsepower "King Bull" was launched in the Japanese market primarily for elderly people in mind, and was designed to use its convenient and highly functional features easily over the whole body of the machine.

We would like to continue to exist as a company that will support society through providing products appropriate to all people, including the elderly.



Utility Vehicle Operations Grew to Support North American Operations

#### Utility Vehicle Sales Are Strong

A new utility vehicle line, the "RTV900 Series," were launched in North America in 2004, and its sales exceeded our expectations by a large margin as a result of broad customer appreciation. Utility vehicles are now one of the key products supporting our North American operations.

These utility vehicles are very convenient in various scenes, such as farming, construction sites, golf courses, hunting and fishing. In this year we started the sale of the RTV900 Series in Europe and Australia encouraged by its booming popularity in the North American market.



RTV900 Utility Vehicles

Utility vehicles were developed using the tractor technology we developed over years. The successful sales of the utility vehicles tells that one of our mid-term management strategies, "to expand peripheral operations based on our principal operations" is beginning to product outcome.

## Environmental Engineering Division

Submerged Membrane Filter Production Reaches One Million Units

### Kubota Membrane USA Corporation Was Established to Expand Operations

In December 2004, our submerged membrane filter production reached the one-million sheets milestone after 14 years when the first equipment was operated, supported by our Japanese and overseas customers.

Wastewater is purified using microorganisms. Purified water and the microorganisms are separated from each other using submerged membrane filters ("submerged membrane" represented in Japanese language is a Kubota's registered trademark.) The membrane pore size is 0.4  $\mu\text{m}$  (one-hundred-thousandth of 4 mm), and these microscopic pores can separate bacteria in effluent with a very high rate. The membrane gains attention not only for wastewater purification system, but also for wastewater recycling equipment. The submerged membrane products are widely used at both domestic and overseas facilities, such as sewage water treatment facilities and wastewater treatment facilities at food factories and other businesses, in order to recycle wastewater.

Since demand for submerged membrane units has been growing steadily, especially remarkably in North America, we incorporated Kubota Membrane USA Corporation in the State of Washington in March 2005. By utilizing the three membrane sales centers located in Japan, the UK, and the US, we will work hard to sell and market the products extensively for global water environment restoration.



Submerged membrane unit



## Industrial Infrastructure Division

### Earthquake-Resistant Underground Water Supply Tank for Disaster Preventative Countermeasure

The waterworks department of Yokohama city has tackled to set up a total of 134 emergency underground water supply tanks since 1981 in order to secure drinking water supply for citizens living in a kilometer or so of their residents, preparing for the suspension of water supply caused by disasters.

We have received an order for the 134th tank to be placed in Takashima Central Park in Yokohama Minato Mirai 21 area. The tank is equipped with our 2,600 mm UF ductile iron pipes, and is one of the Japan's largest water supply tanks with a capacity of about 1,500  $\text{m}^3$ . The tank can contain drinking water for 170,000 people's three day consumption.



Water storage tanks using ductile iron pipes

We, over the century since its foundation, have dedicated to providing pipes for water and sewage systems and other products useful to boost the quality of life. We will follow this corporate policy from now on and continue to join social contributory activities from the standpoint "hidden power for society."

Secure Drinking Water for Three-Day Supply for 170,000 People