



*Osamu Okamoto*

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Chairman and Representative Director

*Yoshikuni Dobashi*

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President and Representative Director

## SUMMARY OF RESULTS

In fiscal 2000, ended March 31, 2000, consolidated net sales by Kubota Corporation increased 1.1% from the previous fiscal year, to ¥987.3 billion (\$9,314 million).

By product group, sales in Internal Combustion Engine and Machinery expanded smoothly, thanks to an increase in replacement demand for farm equipment in the domestic market and robust sales of tractors and engines in overseas markets, primarily in North America. Sales in Industrial Products and Engineering declined owing to sluggish private-sector capital investment and curtailments in public works expenditures in Japan. On the other hand, sales in Building Materials and Housing advanced amid a recovery in housing demand, although intense competition in the industry persisted.

Operating income increased 8.7%, to ¥35.7 billion (\$337 million), while net income rose 8.8%, to ¥16.4 billion (\$155 million). Diluted net income per 20 common shares increased to ¥221 (\$2.08), from ¥203 in fiscal 1999. Kubota plans to pay year-end cash dividends per share of ¥3, or ¥60 per 20 common shares. Together with interim cash dividends, cash dividends per share for the entire fiscal year amounted to ¥6, or ¥120 per 20 common shares.

## STRATEGIES FOR THE FUTURE

During the 110 years since the Company's founding, Kubota has carried out its business operations in a wide range of fields, including those related to the public, private, and agricultural sectors. Amid significant changes in the business environment and intensifying

competition in Japan and overseas, Kubota has businesses that are maintaining and enhancing their competitiveness and generating strong profits as well as those that have been slow to respond to changes and have recorded sluggish profits. In view of this situation, Kubota plans to "shape up" or streamline its business structure as it rapidly reforms its operations to further raise competitiveness. More detailed explanations of these efforts are provided in the interview with the president in the section of this report that follows.

In closing, we ask our shareholders and friends for their continued support.

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