

Consolidated Balance Sheets

Kubota Corporation and Subsidiaries March 31, 2002 and 2001

| ASSETS | Millions of Yen | | Thousands of U.S. Dollars (Note 1) |
|--|-------------------|-------------------|--|
| | 2002 | 2001 | 2002 |
| Current assets: | | | |
| Cash and cash equivalents | ¥ 60,983 | ¥ 78,633 | \$ 458,519 |
| Short-term investments (Note 4) | 1,394 | 2,348 | 10,481 |
| Notes and accounts receivable (Note 3): | | | |
| Trade notes | 103,701 | 115,526 | 779,707 |
| Trade accounts | 259,120 | 258,405 | 1,948,271 |
| Finance receivables | 97,963 | 92,254 | 736,564 |
| Other | 12,515 | 12,270 | 94,098 |
| Less: Unearned income | (8,710) | (9,752) | (65,489) |
| Allowance for doubtful receivables | (4,052) | (4,858) | (30,466) |
| Inventories (Note 2) | 155,354 | 180,318 | 1,168,075 |
| Other current assets (Note 9) | 45,496 | 41,720 | 342,075 |
| Total current assets | 723,764 | 766,864 | 5,441,835 |
| Investments: | | | |
| Investments in and advances to affiliated companies (Note 3) | 12,740 | 10,778 | 95,789 |
| Other investments (Note 4) | 128,876 | 196,997 | 968,993 |
| Total investments | 141,616 | 207,775 | 1,064,782 |
| Property, plant, and equipment (Note 5): | | | |
| Land | 88,315 | 92,508 | 664,023 |
| Buildings | 197,603 | 196,893 | 1,485,737 |
| Machinery and equipment | 452,156 | 458,798 | 3,399,669 |
| Construction in progress | 4,253 | 3,637 | 31,977 |
| Total | 742,327 | 751,836 | 5,581,406 |
| Accumulated depreciation | (466,116) | (461,763) | (3,504,632) |
| Net property, plant, and equipment | 276,211 | 290,073 | 2,076,774 |
| Other assets (Note 9) | 58,526 | 26,044 | 440,045 |
| Total | ¥1,200,117 | ¥1,290,756 | \$9,023,436 |

See notes to consolidated financial statements.

| LIABILITIES AND SHAREHOLDERS' EQUITY | Millions of Yen | | Thousands of U.S. Dollars (Note 1) |
|---|-------------------|-------------------|--|
| | 2002 | 2001 | 2002 |
| Current liabilities: | | | |
| Short-term borrowings (Note 5) | ¥ 122,977 | ¥ 122,384 | \$ 924,639 |
| Trade notes payable | 42,909 | 75,987 | 322,624 |
| Trade accounts payable | 182,675 | 170,631 | 1,373,496 |
| Advances received from customers | 7,886 | 8,711 | 59,293 |
| Notes and accounts payable for capital expenditures | 15,746 | 14,533 | 118,391 |
| Accrued payroll costs | 22,656 | 24,329 | 170,346 |
| Income taxes payable | 12,587 | 13,769 | 94,639 |
| Other current liabilities | 65,042 | 67,895 | 489,038 |
| Current portion of long-term debt (Note 5) | 42,076 | 67,612 | 316,361 |
| Total current liabilities | 514,554 | 565,851 | 3,868,827 |
| Long-term liabilities: | | | |
| Long-term debt (Note 5) | 167,850 | 182,238 | 1,262,030 |
| Accrued retirement and pension costs (Note 6) | 106,206 | 89,641 | 798,542 |
| Other long-term liabilities (Note 9) | 16,537 | 18,047 | 124,338 |
| Total long-term liabilities | 290,593 | 289,926 | 2,184,910 |
| Commitments and contingencies (Note 14) | | | |
| Shareholders' equity (Notes 7 and 11): | | | |
| Common stock, authorized 2,000,000,000 shares; outstanding 1,390,419,012 shares and 1,409,808,978 shares in 2002 and 2001, respectively | 78,156 | 78,156 | 587,639 |
| Additional paid-in capital | 87,263 | 87,263 | 656,113 |
| Legal reserve | 19,539 | 19,539 | 146,910 |
| Retained earnings | 216,810 | 215,739 | 1,630,150 |
| Accumulated other comprehensive income | 128 | 34,282 | 962 |
| Treasury stock (19,389,966 shares in 2002), at cost | (6,926) | — | (52,075) |
| Total shareholders' equity | 394,970 | 434,979 | 2,969,699 |
| Total | ¥1,200,117 | ¥1,290,756 | \$9,023,436 |