

Consolidated Statements of Income

Kubota Corporation and Subsidiaries Years Ended March 31, 2003, 2002, and 2001

	Millions of Yen			Thousands of U.S. Dollars (Note 1)
	2003	2002	2001	2003
Net sales (Note 3)	¥926,145	¥965,791	¥984,767	\$7,717,875
Cost of sales	695,571	729,863	742,516	5,796,425
Selling, general, and administrative expenses	181,353	188,713	198,569	1,511,275
Loss from disposal and impairment of businesses and fixed assets (Note 13)	19,608	12,791	489	163,400
Operating income	29,613	34,424	43,193	246,775
Other income (expenses):				
Interest and dividend income	7,622	7,506	10,042	63,517
Interest expense	(4,818)	(6,697)	(8,140)	(40,150)
Gain on contribution of securities to the employee retirement benefit trust (Notes 4 and 6)	—	—	19,277	—
Valuation losses on short-term and other investments	(24,822)	(9,166)	(2,922)	(206,850)
Other—net (Note 8)	(1,439)	2,616	(662)	(11,992)
Other income (expenses), net	(23,457)	(5,741)	17,595	(195,475)
Income before income taxes, minority interests in earnings of subsidiaries, equity in net income (loss) of affiliated companies, and cumulative effect of an accounting change	6,156	28,683	60,788	51,300
Income taxes (Note 9):				
Current	21,538	22,905	25,192	179,483
Deferred	(9,242)	(5,591)	3,038	(77,016)
Total income taxes	12,296	17,314	28,230	102,467
Minority interests in earnings of subsidiaries	2,097	1,660	1,439	17,475
Equity in net income (loss) of affiliated companies (Note 3)	233	(179)	235	1,942
Income (loss) before cumulative effect of an accounting change	(8,004)	9,530	31,354	(66,700)
Cumulative effect of an accounting change (Note 6)	—	—	(21,559)	—
Net income (loss)	¥ (8,004)	¥ 9,530	¥ 9,795	\$ (66,700)
		Yen		U.S. Dollars (Note 1)
Net income (loss) per 5 common shares (Note 10):				
Basic:				
Income (loss) before cumulative effect of an accounting change	¥(29)	¥34	¥111	\$(0.24)
Cumulative effect of an accounting change	—	—	(76)	—
Net income (loss)	(29)	34	35	(0.24)
Diluted:				
Income (loss) before cumulative effect of an accounting change	(29)	33	104	(0.24)
Cumulative effect of an accounting change	—	—	(70)	—
Net income (loss)	(29)	33	34	(0.24)

See notes to consolidated financial statements.