

CONSOLIDATED STATEMENTS OF INCOME

Kubota Corporation and Subsidiaries Years Ended March 31, 2005, 2004, and 2003

	Millions of Yen			Thousands of U.S. Dollars (Note 1)
	2005	2004	2003	2005
Net sales (Note 3)	¥983,226	¥930,237	¥926,145	\$9,189,028
Cost of sales	713,312	701,727	695,571	6,666,468
Selling, general, and administrative expenses	181,727	199,768	181,353	1,698,383
Loss (gain) from disposal and impairment of businesses and fixed assets (Note 13)	(4,112)	6,893	19,608	(38,430)
Operating income	92,299	21,849	29,613	862,607
Other income (expenses):				
Interest and dividend income	9,488	7,264	7,622	88,673
Interest expense	(4,699)	(4,286)	(4,818)	(43,916)
Valuation losses on short-term and other investments	(423)	(1,083)	(24,822)	(3,953)
Subsidy from the government (Note 6)	58,571	—	—	547,393
Other—net (Note 8)	6,325	3,353	(1,439)	59,112
Other income (expenses), net	69,262	5,248	(23,457)	647,309
Income before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies	161,561	27,097	6,156	1,509,916
Income taxes (Note 9):				
Current	28,917	29,255	21,538	270,252
Deferred	13,625	(15,554)	(9,242)	127,337
Total income taxes	42,542	13,701	12,296	397,589
Minority interests in earnings of subsidiaries	3,442	2,476	2,097	32,168
Equity in net income of affiliated companies (Note 3)	2,324	780	233	21,720
Net income (loss)	¥117,901	¥ 11,700	¥ (8,004)	\$1,101,879
		Yen		U.S. Dollars (Note 1)
Net income (loss) per common share (Note 10):				
Basic	¥89.11	¥8.72	¥(5.84)	\$0.83
Diluted	86.83	8.53	(5.84)	0.81

See notes to consolidated financial statements.