

## Consolidated Statements of Income

Kubota Corporation and Subsidiaries Years Ended March 31, 2008, 2007 and 2006

	Millions of Yen			Thousands of U.S. Dollars (Note 1)
	2008	2007	2006	2008
<b>Revenues (Notes 3 and 5)</b>	<b>¥1,154,574</b>	¥1,127,456	¥1,065,736	<b>\$11,545,740</b>
<b>Cost of revenues (Notes 5 and 16)</b>	<b>824,093</b>	794,687	753,952	<b>8,240,930</b>
<b>Selling, general, and administrative expenses (Note 16)</b>	<b>192,935</b>	199,356	186,017	<b>1,929,350</b>
<b>Loss from disposal and impairment of businesses and fixed assets (Note 16)</b>	<b>671</b>	3,066	4,709	<b>6,710</b>
Operating income	<b>136,875</b>	130,347	121,058	<b>1,368,750</b>
<b>Other income (expenses):</b>				
Interest and dividend income (Note 3)	<b>4,472</b>	3,283	2,807	<b>44,720</b>
Interest expense	<b>(986)</b>	(1,219)	(1,156)	<b>(9,860)</b>
Gain on sales of securities—net (Note 4)	<b>704</b>	1,313	4,703	<b>7,040</b>
Valuation loss on other investments	<b>(6,715)</b>	(524)	(403)	<b>(67,150)</b>
Gain on nonmonetary exchange of securities (Note 1)	<b>—</b>	997	15,901	<b>—</b>
Foreign exchange loss-net	<b>(9,043)</b>	(442)	(1,952)	<b>(90,430)</b>
Other—net	<b>(2,730)</b>	(2,190)	(437)	<b>(27,300)</b>
Other income (expenses), net	<b>(14,298)</b>	1,218	19,463	<b>(142,980)</b>
<b>Income from continuing operations before income taxes, minority interests in earnings of subsidiaries, and equity in net income of affiliated companies</b>	<b>122,577</b>	131,565	140,521	<b>1,225,770</b>
<b>Income taxes (Note 11):</b>				
Current	<b>43,929</b>	48,008	34,433	<b>439,290</b>
Deferred	<b>4,115</b>	953	21,634	<b>41,150</b>
Total income taxes	<b>48,044</b>	48,961	56,067	<b>480,440</b>
<b>Minority interests in earnings of subsidiaries</b>	<b>6,790</b>	6,214	4,938	<b>67,900</b>
<b>Equity in net income of affiliated companies (Note 3)</b>	<b>94</b>	1,353	1,633	<b>940</b>
<b>Income from continuing operations</b>	<b>67,837</b>	77,743	81,149	<b>678,370</b>
<b>Income (loss) from discontinued operations, net of taxes (Note 19)</b>	<b>189</b>	(1,286)	(115)	<b>1,890</b>
<b>Net income</b>	<b>¥ 68,026</b>	¥ 76,457	¥ 81,034	<b>\$ 680,260</b>
		Yen		U.S. Dollars (Note 1)
<b>Net income (loss) per common share (Note 12):</b>				
Basic:				
Continuing operations	<b>¥52.65</b>	¥60.00	¥62.23	<b>\$0.53</b>
Discontinued operations	<b>0.15</b>	(0.99)	(0.09)	<b>0.00</b>
<b>Net income</b>	<b>¥52.80</b>	¥59.01	¥62.14	<b>\$0.53</b>
Diluted:				
Continuing operations	<b>¥52.65</b>	¥60.00	¥61.76	<b>\$0.53</b>
Discontinued operations	<b>0.15</b>	(0.99)	(0.09)	<b>0.00</b>
<b>Net income</b>	<b>¥52.80</b>	¥59.01	¥61.67	<b>\$0.53</b>

See notes to consolidated financial statements.