

KUBOTA CORP
Form 6-K
August 02, 2011
Table of Contents

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6 - K

Report of Foreign Private Issuer

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

For the month of August 2011

Commission File Number: 1-07294

KUBOTA CORPORATION

(Translation of registrant's name into English)

2-47, Shikitsuhigashi 1-chome, Naniwa-ku, Osaka, Japan

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F :

Form 20-F X Form 40-F

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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7) :

Table of Contents

Information furnished on this form:

EXHIBITS

Exhibit Number

1. Results of operations for the three months ended June 30,2011 (Tuesday, August 2, 2011)

Table of Contents

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FOR IMMEDIATE RELEASE (TUESDAY, AUGUST 2, 2011)

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED**JUNE 30, 2011 REPORTED BY KUBOTA CORPORATION**

OSAKA, JAPAN, August 2, 2011 Kubota Corporation reported its consolidated results for the three months ended June 30, 2011 today.

Consolidated Financial Highlights**1. Consolidated results of operations for the three months ended June 30, 2011**

(1) Results of operations

(In millions of yen except per common share amounts)

	Three months ended		Three months ended Jun. 30, 2010	Change [%]
	Jun. 30, 2011	Change [%]		
Revenues	¥ 215,082	8.0	¥ 199,227	2.0
Operating income	¥ 21,910	20.9	¥ 18,116	76.3
Income before income taxes and equity in net income of affiliated companies	¥ 23,006	18.5	¥ 19,419	80.7
Net income attributable to Kubota Corporation	¥ 13,611	26.6	¥ 10,750	93.4
Net income attributable to Kubota Corporation per common share				
Basic	¥ 10.70		¥ 8.45	
Diluted				

Notes:

- Change[%] represents percentage change from the corresponding period in the prior year.
- Comprehensive income for the three months ended June 30, 2011 and 2010 were ¥20,639 million [257.9%] and ¥5,767 million [(81.7%)], respectively.

(2) Financial position

(In millions of yen except per common share amounts)

	Jun. 30, 2011		Jun. 30, 2010	
	¥		¥	
Total assets	¥ 1,375,267		¥ 1,356,852	
Equity	¥ 693,035		¥ 681,361	
Kubota Corporation shareholders' equity	¥ 643,961		¥ 634,885	
Ratio of Kubota Corporation shareholders' equity to total assets		46.8%		46.8%

2. Cash dividends

(In yen)

	Cash dividends per common share		
	Interim	Year end	Total
Year ended March 31, 2011	¥ 7.00	¥ 7.00	¥ 14.00
Year ending March 31, 2012	Undecided	Undecided	Undecided

Note:

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Although the Company's basic policy for the return of profit to shareholders is to maintain stable dividends or raise dividends, specific amount of cash dividends for each fiscal year is decided in consideration of the development of business performance, financial conditions and payout ratio including share buybacks. Specific amount of cash dividends for the year ending March 31, 2012 is not decided at this time and the Company will inform the amount as soon as a decision is made.

-1-

Table of Contents

Kubota Corporation
and Subsidiaries

3. Anticipated results of operations for the year ending March 31, 2012

(In millions of yen except per common share amounts)

	Six months ending Sep. 30, 2011	Change [%]	Year ending Mar. 31, 2012	Change [%]
Revenues	¥ 466,000	3.8	¥ 1,000,000	7.1
Operating income	¥ 45,000	4.2	¥ 100,000	16.1
Income before income taxes and equity in net income of affiliated companies	¥ 45,000	4.6	¥ 100,000	9.5
Net income attributable to Kubota Corporation	¥ 27,000	5.0	¥ 60,000	9.4
Net income attributable to Kubota Corporation per common share	¥ 21.23		¥ 47.18	

Note :

Change[%] represents percentage change from the corresponding period in the prior year.

4. Other information

(1) Changes in material subsidiaries: No

(2) Adoption of simplified accounting procedures or specific accounting procedures for consolidated quarterly financial statements: Yes
Please refer to 2. Other information on page 6.

(3) Accounting changes for consolidated financial statements

a) Changes due to the revision of accounting standards: Yes

b) Changes in matters other than a) above: No

Please refer to 2. Other information on page 6.

(4) Number of shares outstanding including treasury stock as of June 30, 2011	:	1,285,919,180
Number of shares outstanding including treasury stock as of March 31, 2011	:	1,285,919,180
Number of treasury stock as of June 30, 2011	:	14,210,613
Number of treasury stock as of March 31, 2011	:	14,206,633
Weighted average number of shares outstanding during the three months ended June 30, 2011	:	1,271,709,930
Weighted average number of shares outstanding during the three months ended June 30, 2010	:	1,271,821,378

(*Information on status of the quarterly review by the independent auditor)

This release is not reviewed or audited in accordance with Financial Instruments and Exchange Law of Japan by the independent auditor because this release is not subject to the quarterly review. As of the date of this release, the Company's consolidated financial statements for the three

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months ended June 30, 2011 are under procedure of the quarterly review.

< Cautionary Statements with Respect to Forward-Looking Statements >

This document may contain forward-looking statements that are based on management's expectations, estimates, projections and assumptions. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results may differ materially from what is forecast in forward-looking statements due to a variety of factors, including, without limitation: general economic conditions in the Company's markets, particularly government agricultural policies, levels of capital expenditures both in public and private sectors, foreign currency exchange rates, the occurrence of natural disasters, continued competitive pricing pressures in the marketplace, as well as the Company's ability to continue to gain acceptance of its products.

-2-

Table of Contents

Kubota Corporation
and Subsidiaries

Index to Accompanying Materials

1.	<u>Review of operations and financial condition</u>	4
	(1) <u>Summary of the results of operations for the three months under review</u>	4
	(2) <u>Financial condition</u>	5
	(3) <u>Prospect for the year ending March 31, 2012</u>	6
2.	<u>Other information</u>	6
	(1) <u>Changes in material subsidiaries</u>	6
	(2) <u>Adoption of simplified accounting procedures or specific accounting procedures for consolidated quarterly financial statements</u>	6
	(3) <u>Accounting changes for consolidated financial statements</u>	6
3.	<u>Consolidated financial statements</u>	7
	(1) <u>Consolidated balance sheets</u>	7
	(2) <u>Consolidated statements of income</u>	8
	(3) <u>Consolidated statements of comprehensive income</u>	9
	(4) <u>Consolidated statements of cash flows</u>	10
	(5) <u>Notes to assumption for going concern</u>	10
	(6) <u>Consolidated segment information</u>	11
	(7) <u>Consolidated statements of changes in equity</u>	12
	(8) <u>Consolidated revenues by reporting segment</u>	13
	(9) <u>Anticipated consolidated revenues by reporting segment</u>	14

Table of Contents**Kubota Corporation
and Subsidiaries****1. Review of operations and financial condition****(1) Summary of the results of operations for the three months under review**

For the three months ended June 30, 2011, revenues of Kubota Corporation and subsidiaries (hereinafter, the Company) increased ¥15.9 billion [8.0 %], to ¥215.1 billion from the corresponding period in the prior year.

Domestic revenues increased ¥1.2 billion [1.2 %], to ¥99.8 billion, due to increases in revenues in Water & Environment Systems and Other, while revenues in Farm & Industrial Machinery and Social Infrastructure decreased. Overseas revenues increased ¥14.7 billion [14.6 %], to ¥115.3 billion due to a large increase of revenues in Farm & Industrial Machinery while revenues in Water & Environment Systems and Social Infrastructure decreased.

Operating income increased ¥3.8 billion [20.9 %], to ¥21.9 billion from the corresponding period in the prior year, due to an increase in overseas revenues in Farm & Industrial Machinery and progressing cost reduction. Income before income taxes and equity in net income of affiliated companies increased ¥3.6 billion [18.5 %], to ¥23.0 billion. Income taxes were ¥8.2 billion [representing an effective tax rate of 35.7 %], and net income increased ¥2.8 billion [22.9 %], to ¥15.0 billion. Net income attributable to Kubota Corporation increased ¥2.9 billion [26.6 %], to ¥13.6 billion from the corresponding period in the prior year.

Revenues from external customers and operating income by each reporting segment are as follows.

1) Farm & Industrial Machinery

Farm & Industrial Machinery comprises farm equipment, engines and construction machinery.

Revenues in this segment increased 10.5 %, to ¥163.5 billion from the corresponding period in the prior year, comprising 76.0 % of consolidated revenues.

Domestic revenues decreased 1.2 %, to ¥53.8 billion. Sales of construction machinery and engines increased due to recovery in demand. However, sales of farm equipment decreased due to sales declines in the suffered area of the Great East Japan Earthquake and stagnation of investment for farm equipment affected by economic sluggishness.

Overseas revenues increased 17.3 %, to ¥109.8 billion. In North America, sales of tractors and engines increased affected by upturn of demand and sales of construction machinery substantially increased due to recovery in demand and effect of launching a new product. In Europe, sales of construction machinery and engines largely increased due to brisk demand. In Asia outside Japan, sales of construction machinery increased largely while sales of farm equipment decreased due to sales declines of combine harvesters and rice transplanters.

Operating income in Farm & Industrial Machinery increased 14.1 %, to ¥24.3 billion due to increased overseas revenues and cost reductions.

2) Water & Environment Systems

Water & Environment Systems comprises pipe-related products (ductile iron pipes, plastic pipes, valves, and other products) and environment-related products (environmental plants, pumps and other products).

Revenues in this segment were ¥30.7 billion, the same amount as the corresponding period in the prior year, comprising 14.3 % of consolidated revenues.

Domestic revenues increased 4.2 %, to ¥28.8 billion. In pipe-related products, sales of plastic pipes and valves increased. Sales of all environment-related products increased led by an increase in sales of pumps. Overseas revenues decreased 38.0 %, to ¥1.9 billion, due to sales declines of ductile iron pipes and pumps, while sales of submerged membrane systems increased.

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Operating income in Water & Environment Systems increased to ¥0.8 billion due to improvement of profitability.

Table of Contents

**Kubota Corporation
and Subsidiaries**

3) Social Infrastructure

Social Infrastructure comprises industrial castings, spiral welded steel pipes, vending machines, electronic equipped machinery, and air-conditioning equipment.

Revenues in this segment decreased 3.5%, to ¥14.5 billion from the corresponding period in the prior year, comprising 6.8% of consolidated revenues.

Domestic revenues decreased 1.1%, to ¥11.0 billion. Although sales of electronic equipped machinery and air-conditioning equipment increased, sales of industrial castings, spiral welded steel pipes and vending machines decreased from the corresponding period in the prior year. Overseas revenues decreased 10.4%, to ¥3.5 billion due to the sales decline of industrial castings.

Operating income in Social Infrastructure increased 4.0%, to ¥0.5 billion mainly due to cost reduction.

4) Other

Other comprises construction, services and other businesses.

Revenues in this segment increased 16.0%, to ¥6.3 billion from the corresponding period in the prior year, comprising 2.9% of consolidated revenues. Although sales of construction decreased, sales of services and other businesses increased.

Operating income in Other increased 43.0%, to ¥0.4 billion.

(2) Financial condition

1) Assets, liabilities and equity

Total assets at the end of June 2011 amounted to ¥1,375.3 billion, an increase of ¥18.4 billion from the end of March 2011. As for Assets, current assets increased mainly due to increases of inventories. Long-term finance receivables also increased.

As for liabilities, long-term debt increased. Equity increased due to steadily recorded net income and improvement in accumulated other comprehensive loss. Shareholders' equity ratio was 46.8%, the same percentage points as the prior year end.

2) Cash flows

Net cash provided by operating activities during the three months under review was ¥1.1 billion, a decrease of ¥2.6 billion of cash inflow from the corresponding period in the prior year. This decrease was mainly due to a decline of cash inflow from changes in working capital.

Net cash used in investing activities was ¥10.6 billion, an increase of ¥7.0 billion of cash outflow from the corresponding period in the prior year. This increase was mainly due to an increase of finance receivables.

Net cash provided by financing activities was ¥5.4 billion, an increase of ¥15.4 billion of cash inflow from the corresponding period in the prior year. This increase was mainly due to an increase of fund raising.

As a result, including the effect of exchange rate changes, cash and cash equivalents at the end of June 2011 was ¥102.2 billion, a decrease of ¥3.1 billion from the beginning of the period.

Table of Contents

**Kubota Corporation
and Subsidiaries**

(3) Prospect for the year ending March 31, 2012

The forecasts of the anticipated results of operations for the year ending March 31, 2012, which were announced on June 20, 2011, remain unchanged.

The Company forecasts consolidated revenues of ¥1,000.0 billion for the year ending March 31, 2012, ¥66.3 billion higher than the prior year. Domestic revenues are forecast to increase due to increase in revenues in all segments, centering on Water & Environment Systems. Overseas revenues are forecast to increase substantially because revenues in Farm & Industrial Machinery are expected to increase continuously, and revenues in Water & environment Systems and Social Infrastructure are also expected to increase.

The Company forecasts operating income of ¥100.0 billion, an increase of ¥13.9 billion from the prior year, mainly due to an increase in revenues. The Company expects income before income taxes and equity in net income of affiliated companies to be ¥100.0 billion, an increase of ¥8.7 billion from the prior year. Net income attributable to Kubota Corporation is forecast to be ¥60.0 billion, an increase of ¥5.2 billion from the prior year. (The forecasts are based on the assumption of exchange rates of ¥81=US\$1 and ¥115=1Euro, respectively.)

2. Other information

(1) Changes in material subsidiaries

None

(2) Adoption of simplified accounting procedures or specific accounting procedures for consolidated quarterly financial statements

Income tax expense for the three months ended June 30, 2011 was calculated using reasonably estimated annual effective tax rate for this fiscal year.

(3) Accounting changes for consolidated financial statements

The Company adopted a new accounting standard related to revenue recognition for multiple-deliverable arrangements from April 1, 2011. This standard requires that arrangement consideration be allocated to all deliverables using a selling price or estimated selling price and eliminates the residual method of allocation. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

Table of Contents

Kubota Corporation
and Subsidiaries

3. Consolidated financial statements**(1) Consolidated balance sheets**

Assets	Jun. 30, 2011		Mar. 31, 2011		Change Amount	(In millions of yen) Jun. 30, 2010	
	Amount	%	Amount	%		Amount	%
Current assets:							
Cash and cash equivalents	102,220		105,293		(3,073)	101,405	
Notes and accounts receivable	343,857		353,608		(9,751)	350,776	
Short-term finance receivables-net	103,549		100,437		3,112	104,520	
Inventories	191,609		174,217		17,392	184,009	
Other current assets	48,210		43,649		4,561	60,253	
Total current assets	789,445	57.4	777,204	57.3	12,241	800,963	57.8
Investments and long-term finance receivables	321,634	23.4	316,896	23.4	4,738	314,519	22.7
Property, plant, and equipment	216,147	15.7	217,358	16.0	(1,211)	219,645	15.9
Other assets	48,041	3.5	45,394	3.3	2,647	50,165	3.6
Total	1,375,267	100.0	1,356,852	100.0	18,415	1,385,292	100.0

Liabilities and Equity	Jun. 30, 2011		Mar. 31, 2011		Change Amount	(In millions of yen) Jun. 30, 2010	
	Amount	%	Amount	%		Amount	%
Current liabilities:							
Short-term borrowings							