

Business Results for Nine Months (April-December, 2020) of FY2020 【Telephone conference】

January 29, 2021

Komatsu Ltd. Participants

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P4: Coronavirus (COVID-19) Effects on Komatsu Group's Business

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I . Coronavirus (COVID-19) Effects on Komatsu Group's Business

1. Effects on operations

1) Production

Current conditions

Normal operations at all plants since October 2020

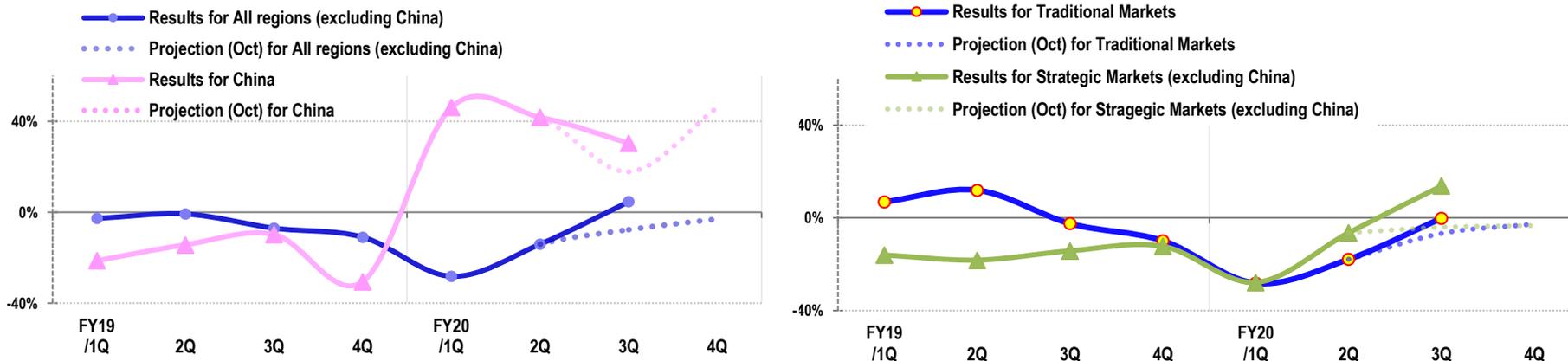
2) Sales and service

Items	Updates
Operating conditions of machines on construction sites*	Same-as-usual conditions have continued in many regions since the second quarter.
Sales	Teleworking in some regions. Regular working or working with restrictions in many regions.
Service	Regular working (in general) at parts warehouses and service workshops

* Averaged daily hours of operations based on Komtrax in major regions available on page 28

2. Results and Outlook of Demand for FY2020

<Y-o-Y growth rate of Demand for 7 Major Products (FY2019~FY2020)>



II . Business Results for Three and Nine Months ended December 31, 2020

- Consolidated net sales decreased by 9.5% from the corresponding period a year ago, to JPY555.5 billion.
- Operating income declined by 28.3% to JPY47.1 billion. Operating income ratio was 8.5%, down 2.2 points.
- Net income attributable to Komatsu Ltd. declined by 36.6% to JPY28.6 billion.

Billions of yen	Oct.-Dec., 2019 (A) ¥108.6/USD ¥119.7/EUR ¥15.4/RMB	Oct.-Dec., 2020 (B) ¥104.9/USD ¥123.4/EUR ¥15.7/RMB	Changes (B-A)	
			increase (decrease)	Change %
Net sales	613.9	555.5	(58.3)	(9.5)%
Segment profit	63.5	47.4	(16.1)	(25.4)%
Other operating income (expenses)	2.2	(0.2)	(2.5)	-
Operating income	65.8	47.1	(18.6)	(28.3)%
Profit ratio	10.7%	8.5%	(2.2)pts.	-
Other income (expenses)	(4.1)	(2.3)	+1.7	-
Income before income taxes	61.7	44.8	(16.8)	(27.4)%
Net income attributable to Komatsu Ltd.	45.2	28.6	(16.5)	(36.6)%

- Construction, Mining & Utility Equipment: Sales decreased by 7.5% from the corresponding period a year ago, to JPY505.2 billion. Segment profit declined by 28.8% to JPY37.7 billion. Segment profit ratio worsened to 7.5%, down 2.2 points.
- Retail Finance: Revenues decreased by 7.6% from the corresponding period a year ago, to JPY16.7 billion. Segment profit declined by 14.6% to JPY3.4 billion.
- Industrial Machinery & Others: Sales decreased by 30.4% from the corresponding period a year ago, to JPY37.0 billion. Segment profit declined by 12.7% to JPY 4.8billion.

[] : Profit ratio [] : Sales after elimination of inter-segment transactions

Billions of yen	Oct.-Dec., 2019 (A)	Oct.-Dec., 2020 (B)	Changes (B-A)	
			increase (decrease)	Change %
Net sales	613.9	555.5	(58.3)	(9.5)%
Construction, mining & utility equipment	546.4 [545.1]	505.2 [504.0]	(41.2) [(41.0)]	(7.5)% [(7.5)%]
Retail finance	18.1 [16.0]	16.7 [14.7]	(1.3) [(1.3)]	(7.6)% [(8.1)%]
Industrial machinery & others	53.2 [52.7]	37.0 [36.7]	(16.2) [(16.0)]	(30.4)% [(30.4)%]
Elimination	(3.8)	(3.4)	+0.4	-
Segment profit	10.4% 63.5	8.5% 47.4	(1.9)pts. (16.1)	(25.4)%
Construction, mining & utility equipment	9.7% 53.0	7.5% 37.7	(2.2)pts. (15.2)	(28.8)%
Retail finance	22.6% 4.0	20.8% 3.4	(1.8)pts. (0.5)	(14.6)%
Industrial machinery & others	10.5% 5.5	13.2% 4.8	+2.7pts. (0.7)	(12.7)%
Corporate & elimination	0.8	1.3	+0.4	-

Review of three business segments

■ Construction, Mining & Utility Equipment:

Sales were adversely affected by foreign exchange rates, reduced sales of mining equipment and other factors. While reduced fixed costs absorbed some part of decreased segment profit, segment profit declined, mainly due to reduced volume of sales.

■ Retail Finance:

Both revenues and segment profit declined, mainly due to a decrease in new contracts.

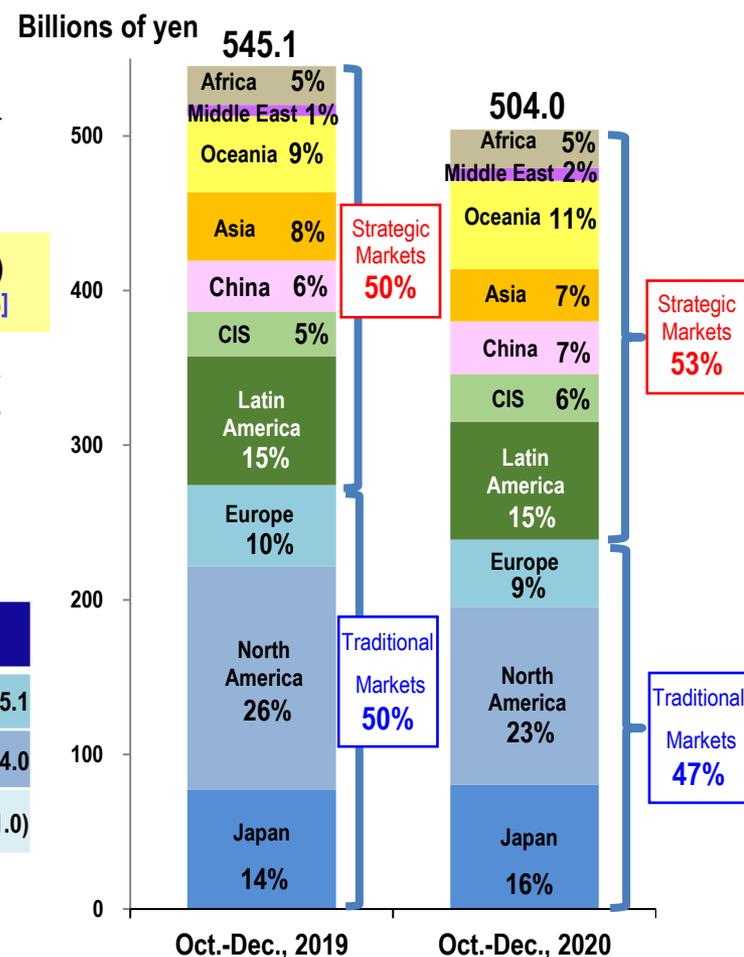
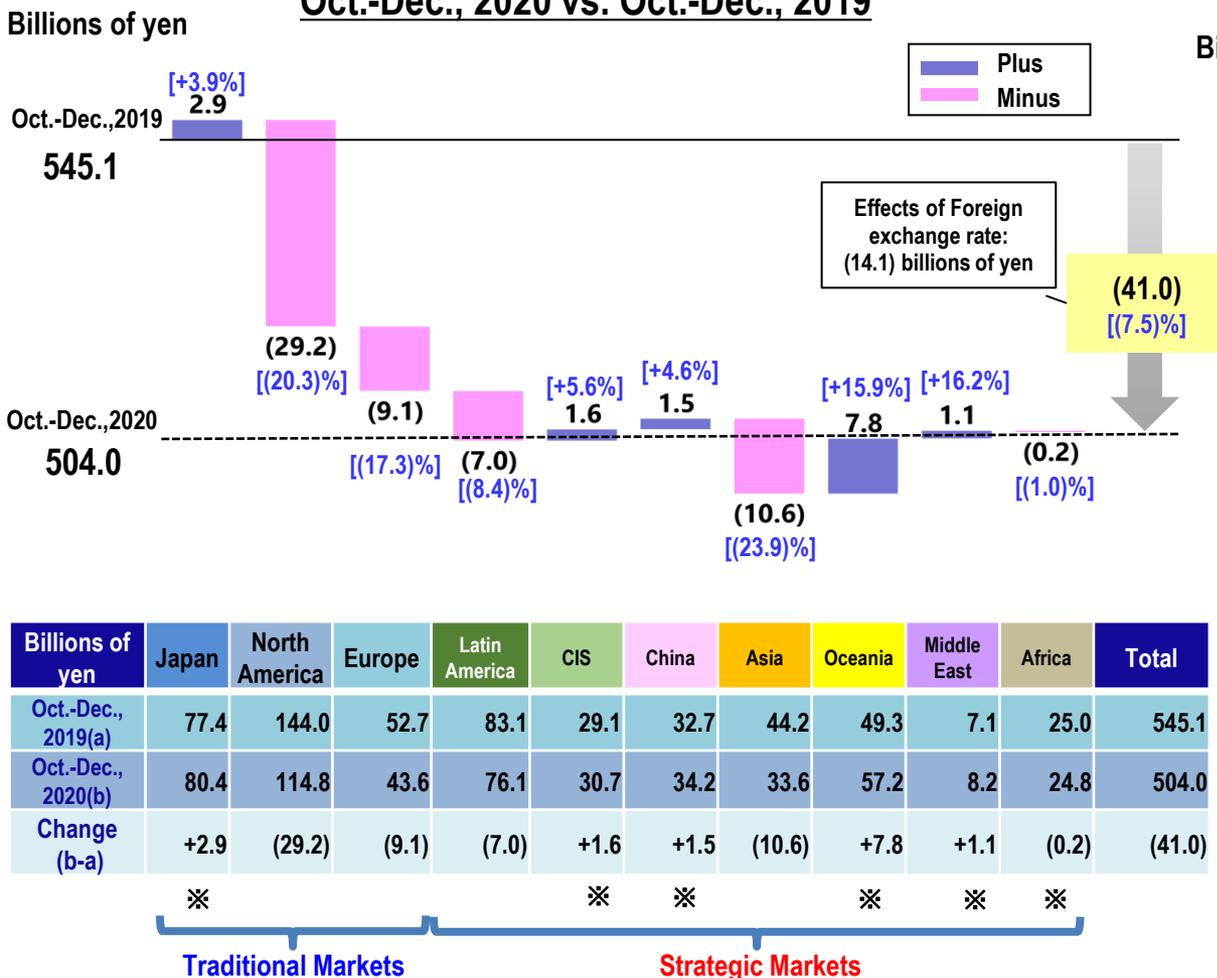
■ Industrial Machinery & Others

Both sales and segment profit decreased, mainly due to declined demand for presses and machine tools in the automobile manufacturing industry as well as delayed installation of machinery.

Construction, Mining & Utility Equipment : Sales by Region (To Outside Customers) for Third Quarter (Oct.- Dec., 2020)

- Sales to outside customers decreased by 7.5% from the corresponding period a year ago, to JPY504.0 billion.
- Sales dropped sharply in North America, Asia, Europe, and Latin America. Sales increased in Oceania and some other regions.
- The proportion of Traditional Markets decreased to 47% of total sales.

Oct.-Dec., 2020 vs. Oct.-Dec., 2019



※ Region where sales increased, when foreign exchange effects were excluded.

- Consolidated net sales declined by 17.2% from the corresponding period a year ago, to JPY1,513.3 billion.
- Operating income dropped by 48.3% to JPY107.5 billion. Operating income ratio was 7.1%, down 4.3points.
- Net income attributable to Komatsu Ltd. dropped by 51.2% to JPY65.9 billion.

Billions of yen	Apr.-Dec., 2019 (A) ¥108.9/USD ¥121.0/EUR ¥15.7/RMB	Apr.-Dec., 2020 (B) ¥106.4/USD ¥122.1/EUR ¥15.4/RMB	Changes (B-A)	
			increase (decrease)	Change %
Net sales	1,827.4	1,513.3	(314.1)	(17.2)%
Segment profit	204.2	108.2	(96.0)	(47.0)%
Other operating income (expenses)	3.5	(0.6)	(4.2)	-
Operating income	207.8	107.5	(100.2)	(48.3)%
Profit ratio	11.4%	7.1%	(4.3)pts.	-
Other income (expenses)	(17.9)	(4.1)	+13.7	-
Income before income taxes	189.9	103.3	(86.5)	(45.6)%
Net income attributable to Komatsu Ltd.	135.2	65.9	(69.2)	(51.2)%

- Construction, Mining & Utility Equipment: Sales declined by 16.7% from the corresponding period a year ago, to JPY1,381.7 billion. Segment profit dropped by 50.8% to JPY89.9 billion. Segment profit ratio was 6.5%, down 4.5 points.
- Retail Finance: Revenues decreased by 6.4% to JPY49.5 billion. Segment profit dropped by 25.0% to JPY8.1 billion.
- Industrial Machinery & Others: Sales dropped by 19.7% to JPY102.0 billion. Segment profit declined by 6.7% to JPY8.9 billion.

□ : Profit ratio [] : Sales after elimination of inter-segment transactions

Billions of yen	Apr.-Dec.,2019 (A)	Apr.-Dec.,2020 (B)	Changes (B-A)	
			increase (decrease)	Change %
Net sales	1,827.4	1,513.3	(314.1)	(17.2)%
Construction, mining & utility equipment	1,658.0 [1,654.4]	1,381.7 [1,368.4]	(276.3) [(286.0)]	(16.7)% [(17.3)%]
Retail finance	52.9 [47.2]	49.5 [43.6]	(3.4) [(3.5)]	(6.4)% [(7.5)%]
Industrial machinery & others	127.0 [125.7]	102.0 [101.2]	(24.9) [(24.5)]	(19.7)% [(19.5)%]
Elimination	(10.5)	(19.9)	(9.4)	-
Segment profit	□ 11.2% 204.2	□ 7.2% 108.2	□ (4.0)pts. (96.0)	(47.0)%
Construction, mining & utility equipment	□ 11.0% 182.8	□ 6.5% 89.9	□ (4.5)pts. (92.9)	(50.8)%
Retail finance	□ 20.6% 10.8	□ 16.5% 8.1	□ (4.1)pts. (2.7)	(25.0)%
Industrial machinery & others	□ 7.6% 9.6	□ 8.8% 8.9	□ +1.2pts. (0.6)	(6.7)%
Corporate & elimination	0.8	1.0	+0.2	-

Review of three business segments

■ Construction, Mining & Utility Equipment:

Sales were adversely affected by foreign exchange rates, reduced sales of mining equipment and other factors. While reduced fixed costs absorbed some part of decreased segment profit, segment profit declined, mainly due to reduced volume of sales.

■ Retail Finance:

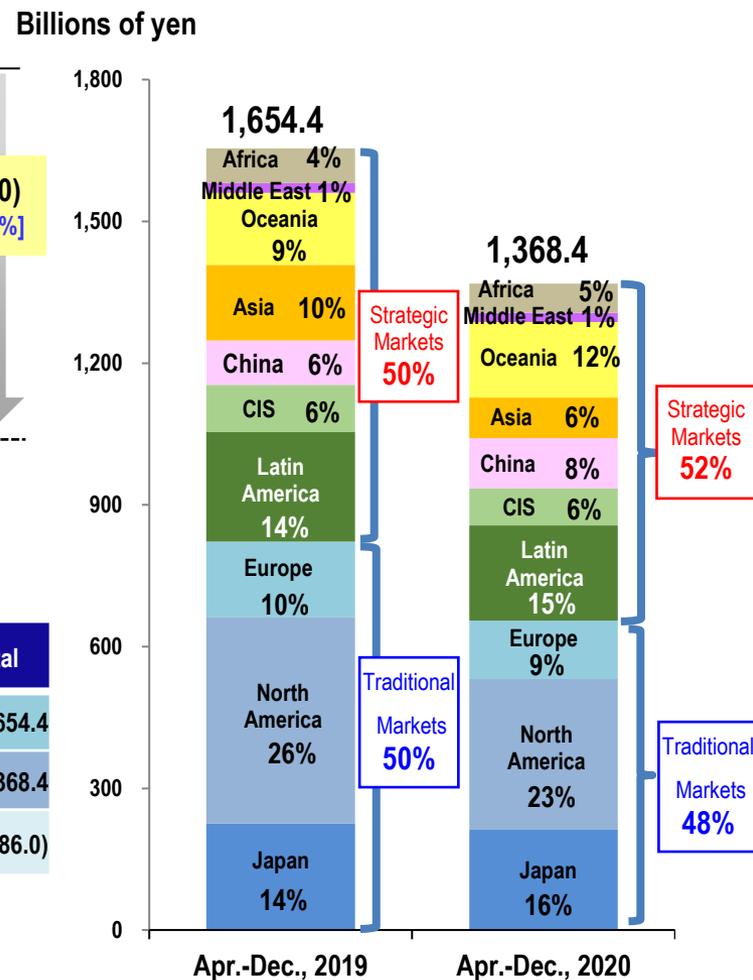
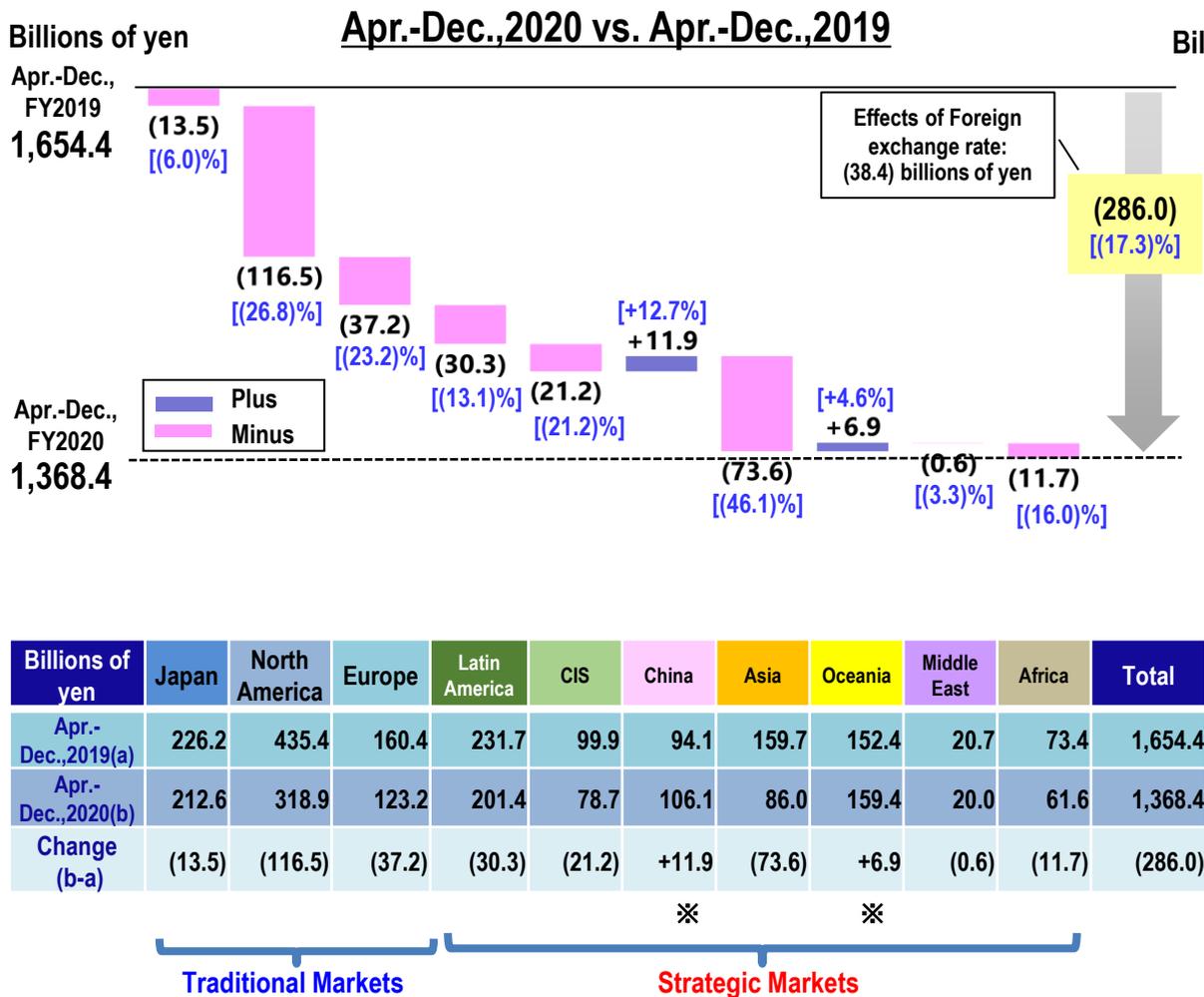
Revenues declined as mainly affected by a decrease in new contracts. Segment profit declined, mainly due to reduced revenues, adverse effects of extension of payments and revaluation of vehicles after lease use.

■ Industrial Machinery & Others

Both sales and segment profit decreased, mainly due to declined demand for presses and machine tools in the automobile manufacturing industry as well as delayed installation of machinery.

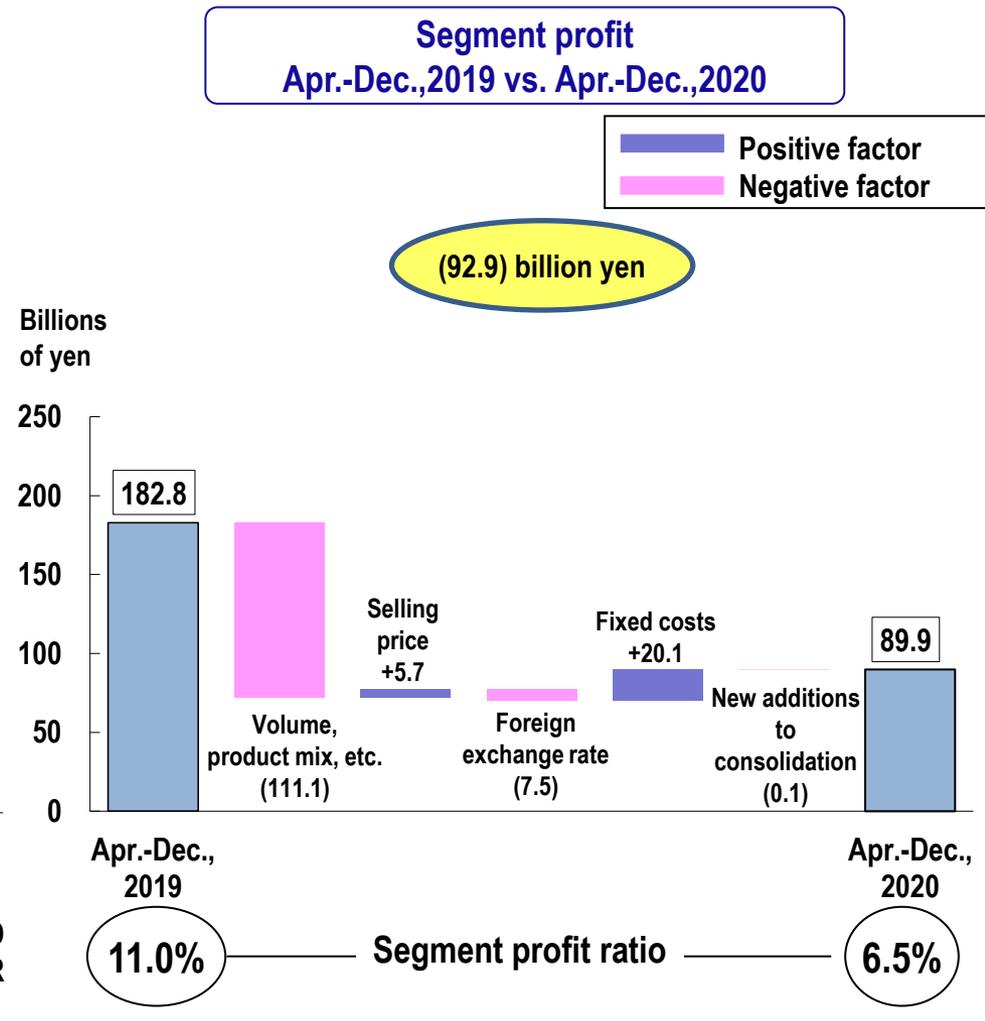
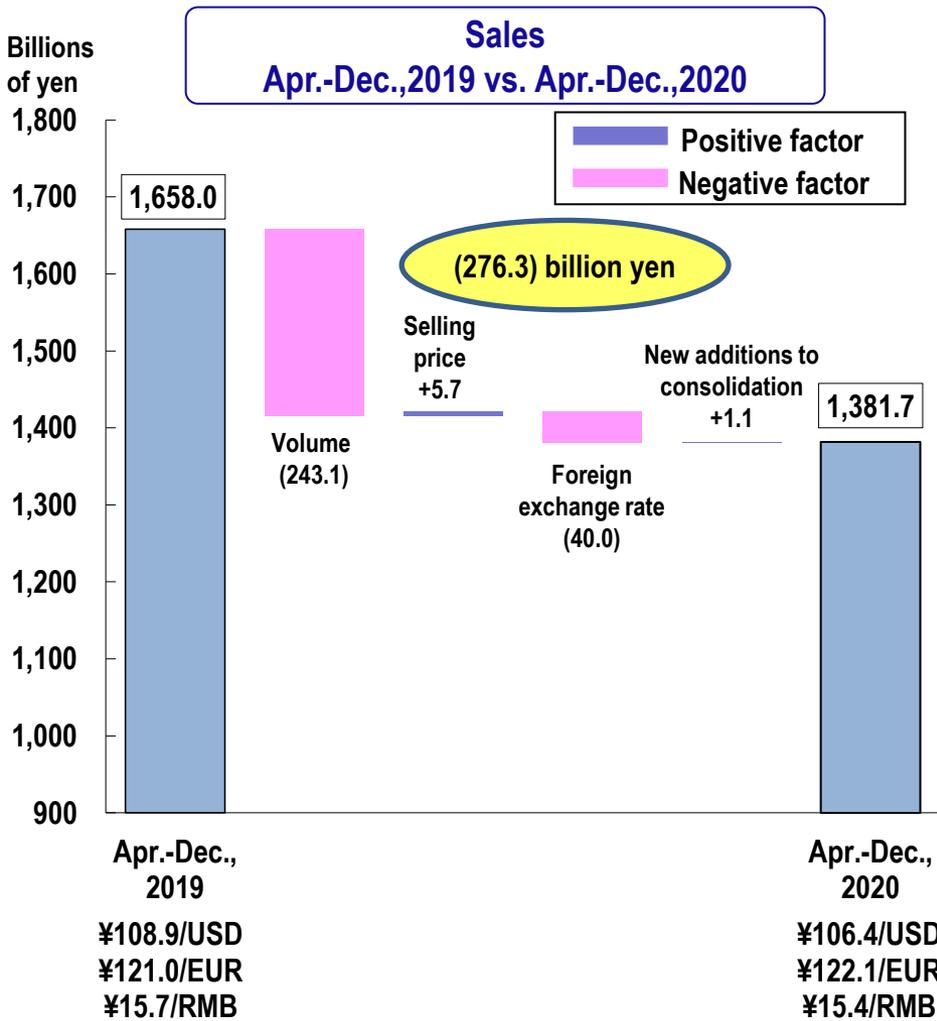
Construction, Mining & Utility Equipment : Sales by Region (To Outside Customers) for Nine Months (Apr.- Dec., 2020) of FY2020

- Sales to outside customers decreased by 17.3% from the corresponding period a year ago, to JPY1,368.4 billion.
- Sales dropped sharply in North America, Asia, Europe, and Latin America. Sales increased in China and Oceania.
- The proportion of Traditional Markets decreased to 48% of total sales.



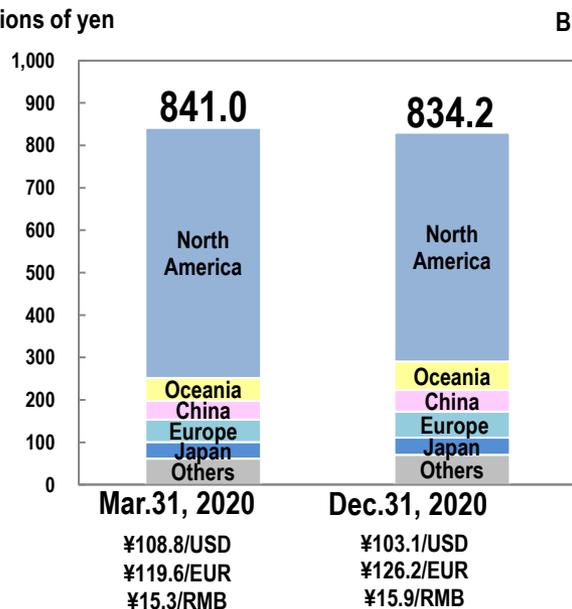
※ Region where sales increased, when foreign exchange effects were excluded.

- Sales decreased by JPY276.3 billion from the corresponding period a year ago, as adversely affected by reduced sales volume and foreign exchange rates.
- Segment profit dropped by JPY92.9 billion, while we absorbed adverse effects of declined volume of sales with reduced fixed costs.
- Segment profit ratio was 6.5%, down 4.5 points.

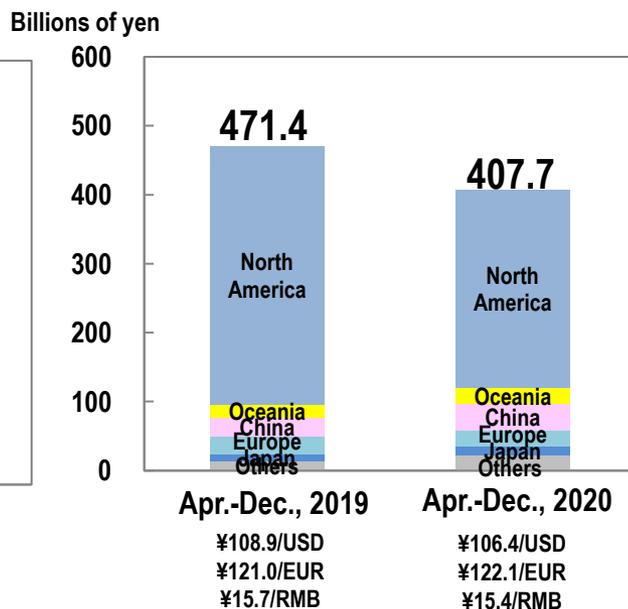


- Assets decreased from the previous fiscal year-end, as mainly affected by foreign exchange rates.
- New contracts declined year-on-year, due to reduced sales under the coronavirus pandemic.
- Revenues decreased year-on-year, especially affected by reduced new contracts.
- Segment profit decreased year-on-year, due mainly to declined revenues and revaluation of vehicles after lase use.

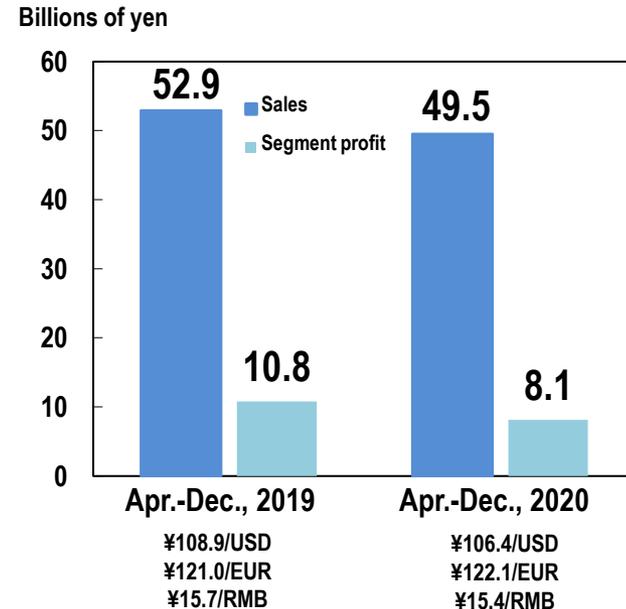
Assets
Mar.31, 2020 vs. Dec.31, 2020



New Contracts
Apr.-Dec.,2019 vs. Apr.-Dec.,2020



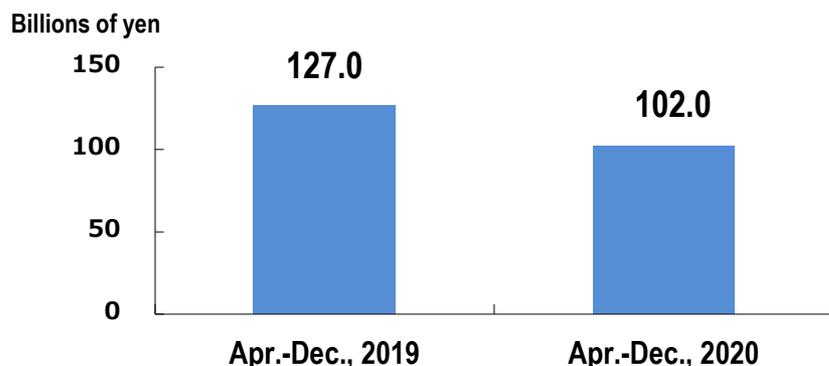
Revenues
Apr.-Dec.,2019 vs. Apr.-Dec.,2020



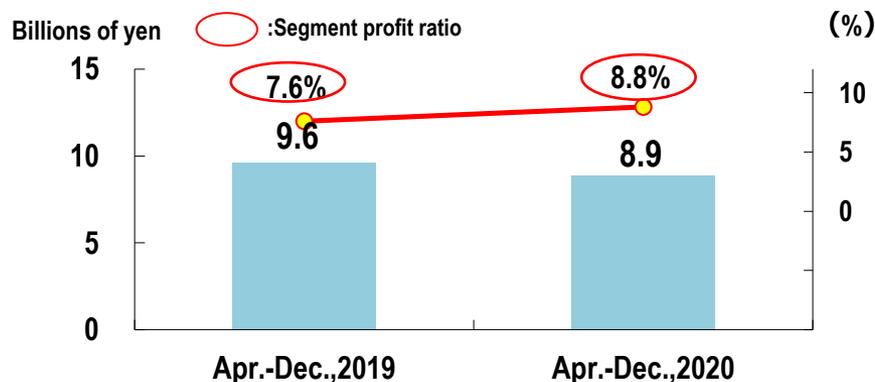
Billions of yen	2020/3E	2020/12E	Changes
Interest-bearing debt	648.0	634.7	(13.3)
Interest-bearing debt, net	642.4	632.5	(9.8)
Net D/E ratio	3.80	3.71	(0.09)pts.

- Sales declined by 19.7% year-on-year, to JPY102.0 billion, as affected by declined demand for presses and machine tools in the automobile manufacturing industry as well as delayed installation of machinery.
- Segment profit declined by JPY0.6 billion year-on-year.
- Segment profit ratio was 8.8%.

Sales
Apr.-Dec.,2019 vs. Apr.-Dec.,2020



Segment profit
Apr.-Dec.,2019 vs. Apr.-Dec.,2020



Breakdown of sales

Billions of yen	Apr.-Dec., 2019	Apr.-Dec., 2020	Changes	
			Increase (Decrease)	Change %
Komatsu Industries Corp.	36.7	28.7	(8.0)	(21.8)%
Komatsu NTC Ltd.	35.4	20.5	(14.8)	(42.0)%
Gigaphoton Inc.	27.4	29.3	+1.8	+6.8%
Others	27.3	23.3	(3.9)	(14.5)%
Total	127.0	102.0	(24.9)	(19.7)%

Consolidated Balance Sheets

- Total assets decreased by JPY60.6 billion from the previous fiscal year-end, to JPY3,592.9 billion. Accounts receivable declined, while inventories increased.
- Komatsu Ltd. shareholders' equity ratio increased by 1.6 percentage point, to 50.1%.

Billions of yen ○ : Net D/E ratio	Mar. 31, 2020 ¥108.8/USD ¥119.6/EUR ¥15.3/RMB	Dec. 31, 2020 ¥103.1/USD ¥126.2/EUR ¥15.9/RMB	Increase (Decrease)
Cash & deposits (incl. time deposits) [a]	249.6	218.4	(31.1)
Accounts receivable (incl. long-term trade receivables)	1,165.3	1,122.5	(42.7)
Inventories	805.3	821.9	+16.6
Tangible fixed assets	757.6	765.0	+7.4
Other assets	675.7	664.8	(10.8)
Total assets	3,653.6	3,592.9	(60.6)
Accounts payable	220.1	217.9	(2.2)
Interest-bearing debt [b]	1,012.3	916.3	(95.9)
Other liabilities	564.9	566.5	+1.6
Total liabilities	1,797.4	1,700.8	(96.5)
[Shareholders' equity ratio]	[48.5%]	[50.1%]	[+1.6 pts.]
Komatsu Ltd. shareholders' equity	1,771.6	1,799.5	+27.8
Non-controlling interests	84.6	92.6	+8.0
Liabilities & Equity	3,653.6	3,592.9	(60.6)
Interest-bearing debt, net [b-a]	0.43 762.7	0.39 697.8	(64.8)
Net D/E ratio (excl. the retail finance business)	0.08	0.04	

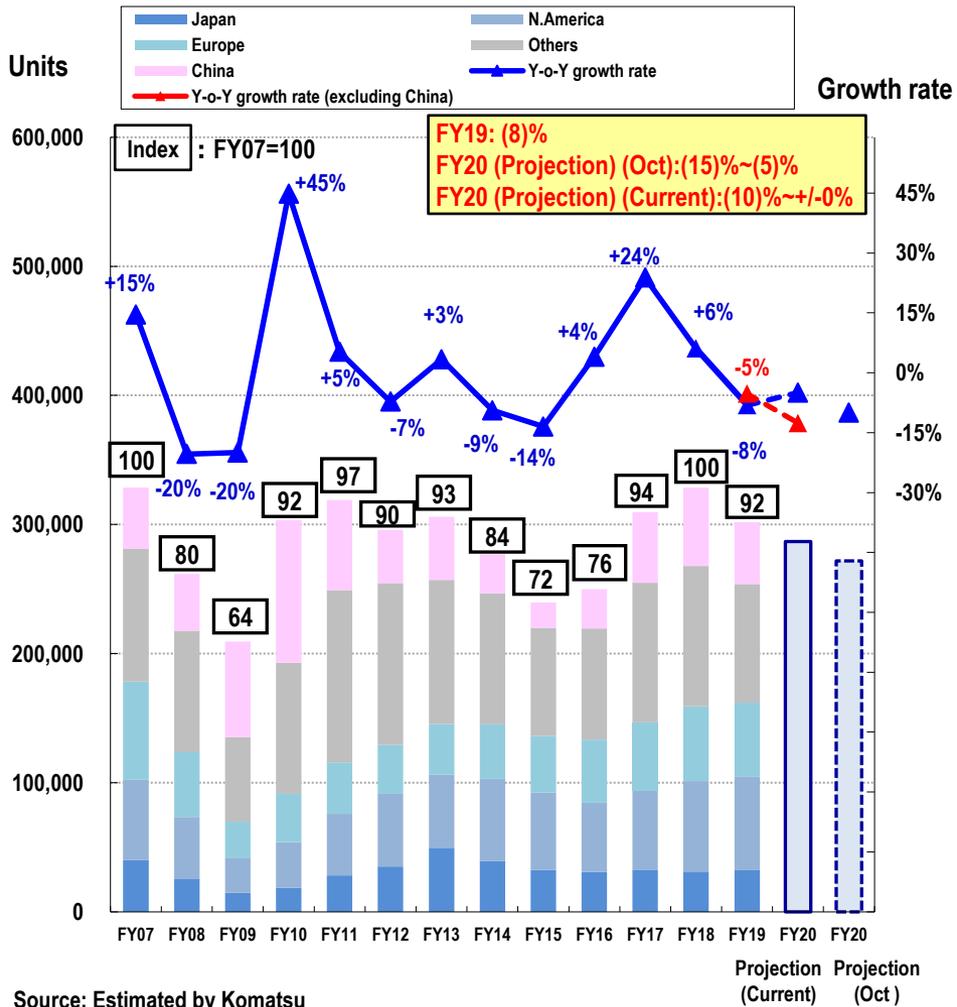
Ⅲ. Outlook of FY2020 Business Results

• We have not changed our projection of full-year results for FY2020. (See below for the projection of October 2020.)

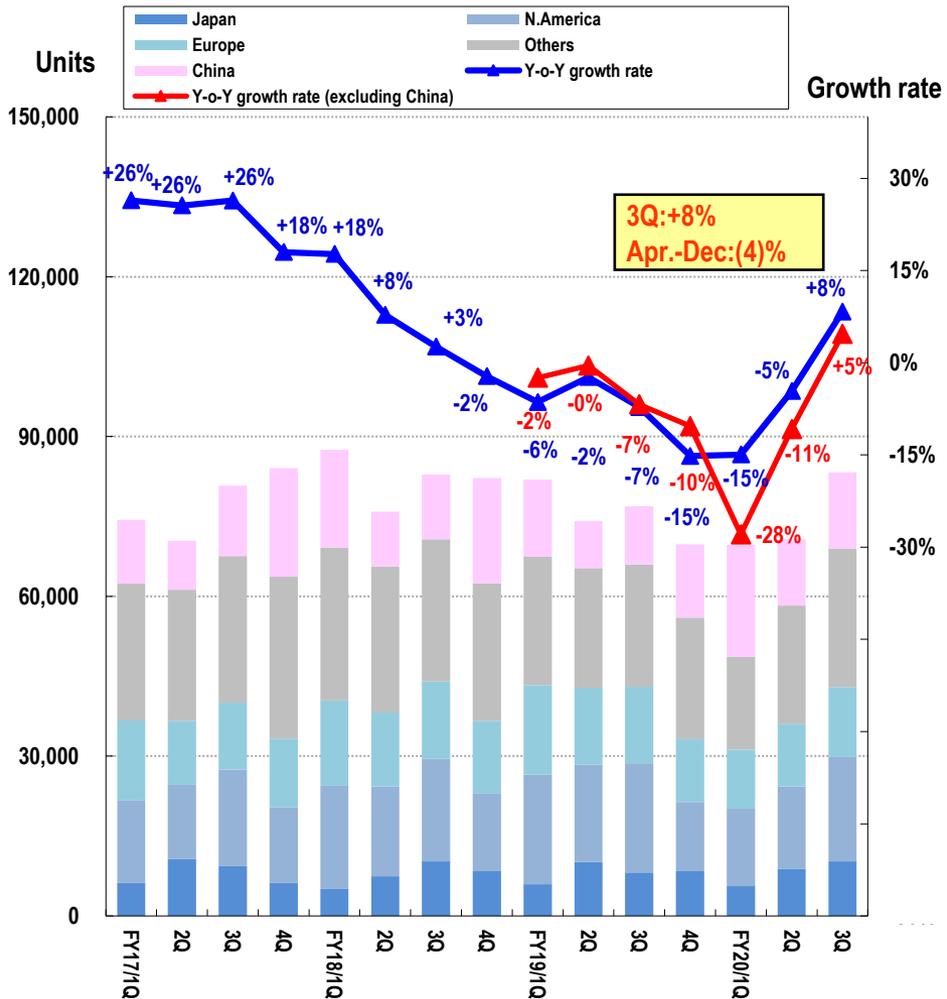
Billions of yen	FY2019 Results (A) ¥108.7/USD ¥120.8/EUR ¥15.6/RMB	FY2020 Projection (B) (Oct) ¥106.1/USD ¥122.7/EUR ¥15.1/RMB	FY2020 Projection (C)(July) ¥105.6/USD ¥116.7/EUR ¥15.0/RMB	Changes (B-A)	
				Increase (Decrease)	Change %
Net sales	2,444.8	2,119.0	2,068.0	(325.8)	(13.3)%
Segment profit	255.0	139.0	121.0	(116.0)	(45.5)%
Other operating income (expenses)	(4.3)	(5.0)	(6.0)	(0.6)	-
Operating income	250.7	134.0	115.0	(116.7)	(46.6)%
Profit ratio	10.3%	6.3%	5.6%	(4.0)pts.	-
Other income (expenses)	(27.5)	(7.0)	(7.0)	+20.5	-
Income before income taxes	223.1	127.0	108.0	(96.1)	(43.1)%
Net income attributable to Komatsu Ltd.	153.8	80.0	67.0	(73.8)	(48.0)%
ROE	8.6%	4.5%	3.8%	(4.1)pts.	
Cash dividends per share	94Yen	43Yen	36Yen	(51)Yen	
Consolidated payout ratio	57.7%	50.8%	50.8%		

- In the third quarter of FY2020, demand increased presumably by 8% from the corresponding period a year ago.
- We have revised our projection of FY2020 full-year demand to -10% to 0% from FY2019.

Annual demand for 7 major products



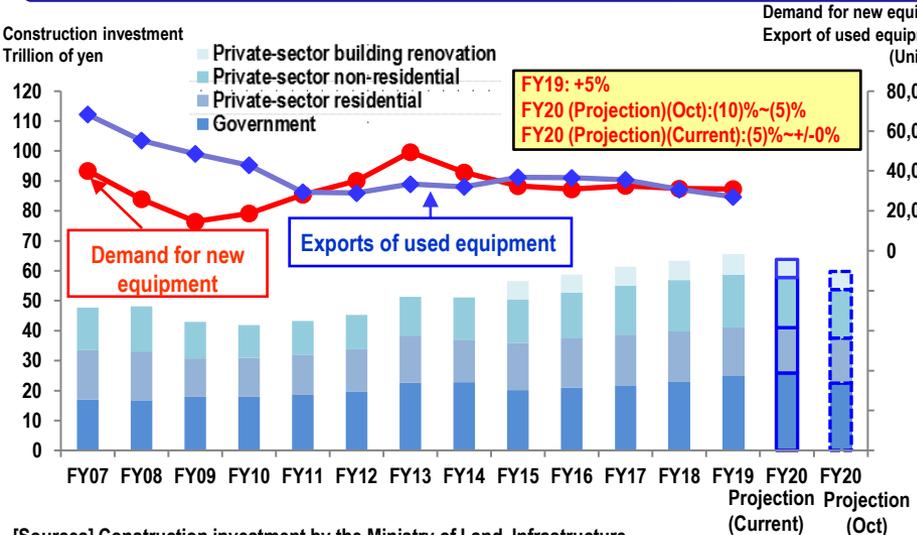
Quarterly demand for 7 major products



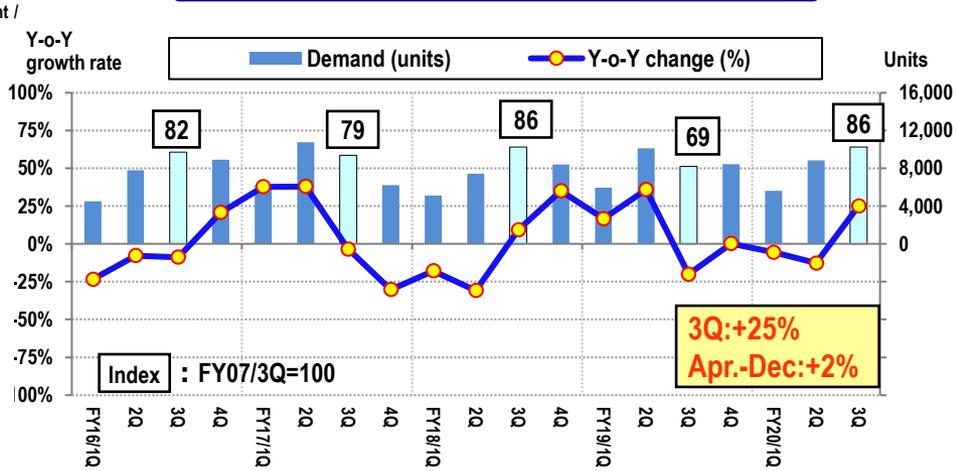
Construction, Mining & Utility Equipment : Demand in Major Markets (1) Japan

- In the third quarter of FY2020, demand increased presumably by 25% from the corresponding period a year ago.
- We have revised our projection of FY2020 full-year demand to -5% to 0% from FY2019.
- In addition to steady demand remaining in the civil engineering sector supported by public works, we also see signs of recovery of demand in the private-sector construction.

Demand for new equipment (7 major products) and construction investment

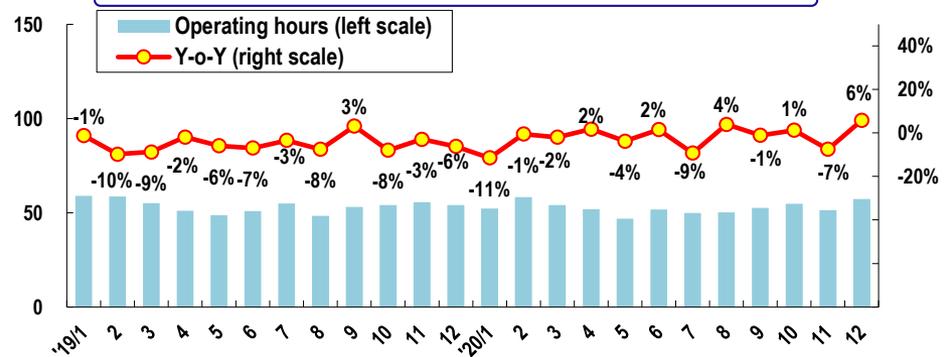


Quarterly demand for 7 major products

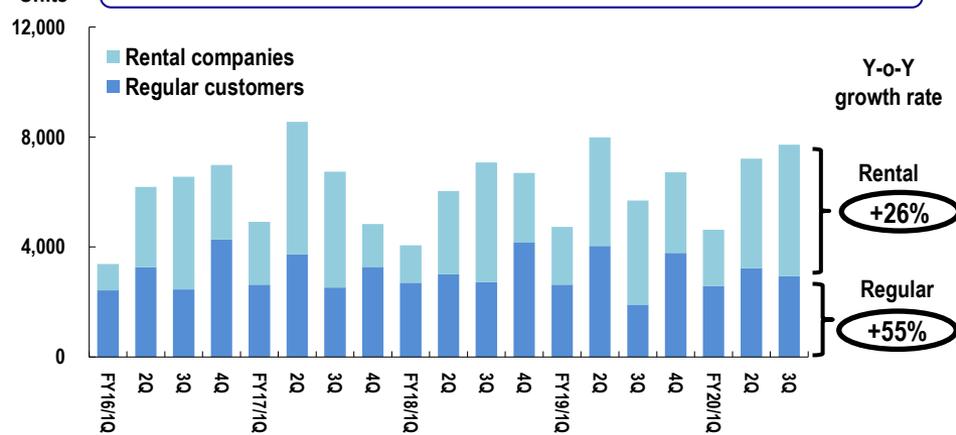


[Sources] Construction investment by the Ministry of Land, Infrastructure, Transport & Tourism, and Research Institute of Construction and Economy
 Demand for 7 major products and No. of exported used equipment estimated by Komatsu

Komtrax in Japan: Average operating hours per month



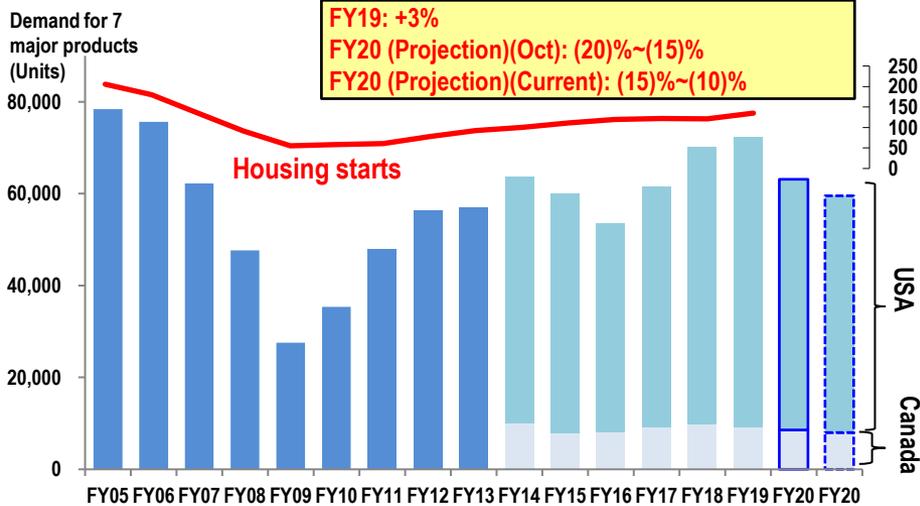
Quarterly demand for hydraulic excavators (Rental & Regular uses)



- In the third quarter of FY2020, demand decreased presumably by 4% from the corresponding period a year ago.
- We have revised our projection of FY2020 full-year demand to -15% to -10% from FY2019.
- Demand is beginning to recover, centering on the construction and housing sectors, as economic activities have fully resumed.

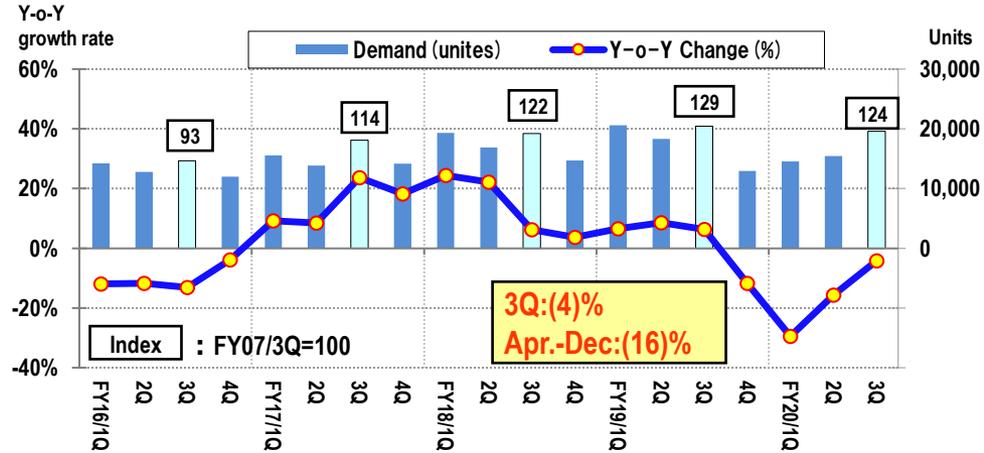
Demand for 7 major products and US housing starts

Housing starts in ten thousands

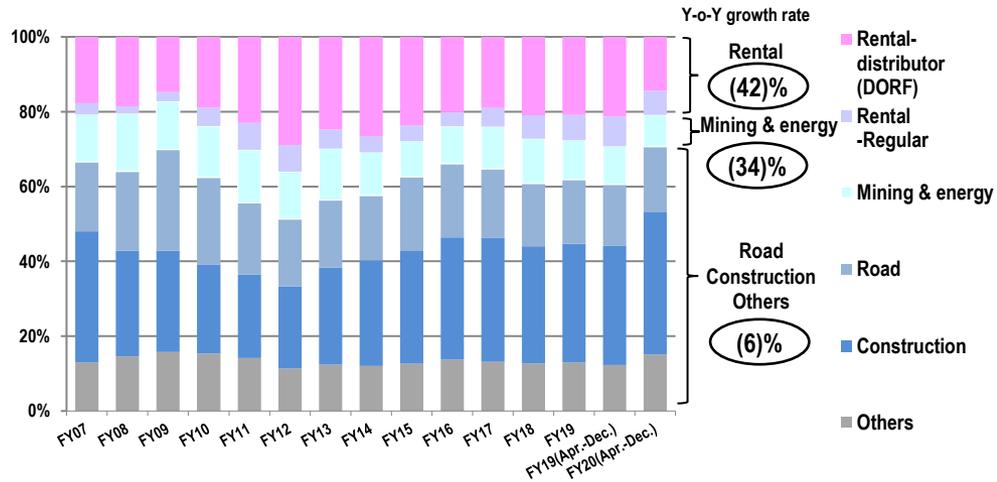


[Source]: Demand for 7 major products estimated by Komatsu

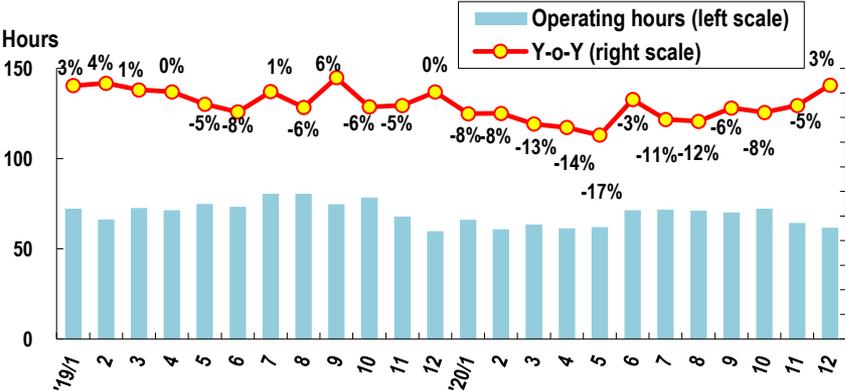
Quarterly demand for 7 major products



Breakdown of demand by segment (Unit basis)

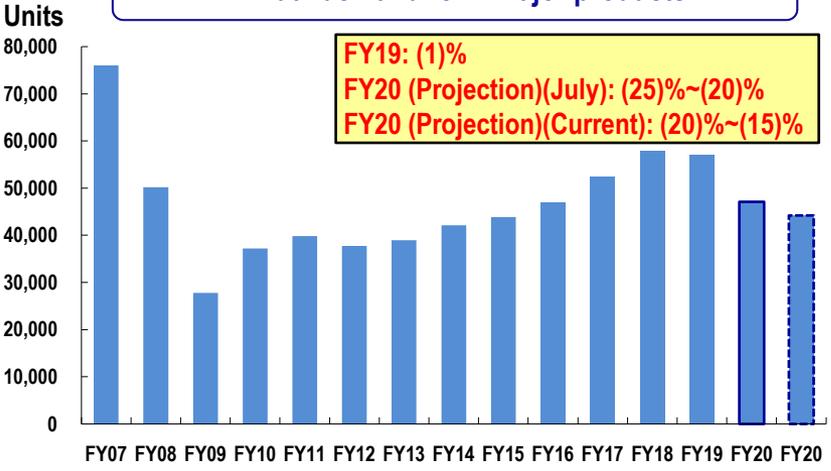


Komtrax in North America: Average operating hours per month



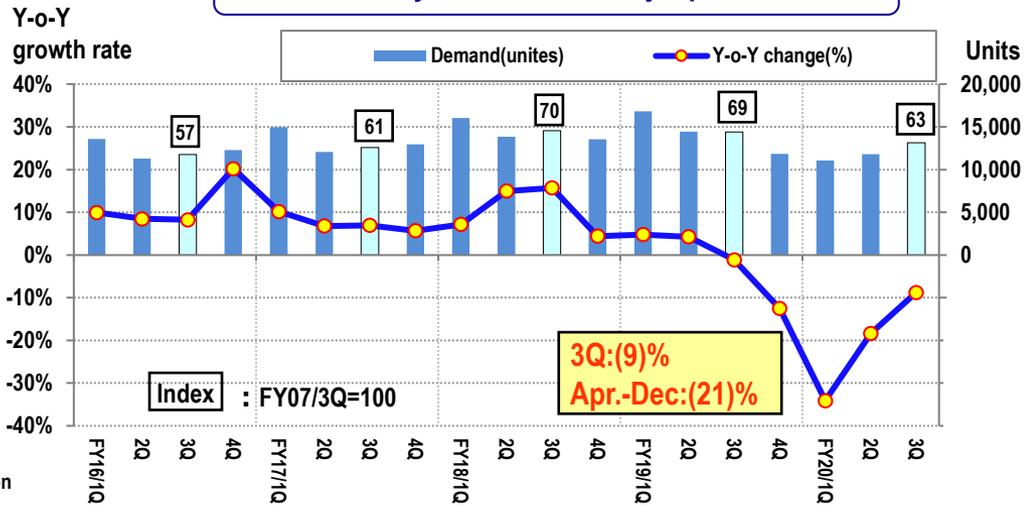
- In the third quarter of FY2020, demand decreased presumably by 9% from the corresponding period a year ago.
- We have revised our projection of FY2020 full-year demand to -20% to -15% from FY2019.
- Demand is beginning to recover in the United Kingdom, France, Germany, and Italy.

Annual demand for 7 major products

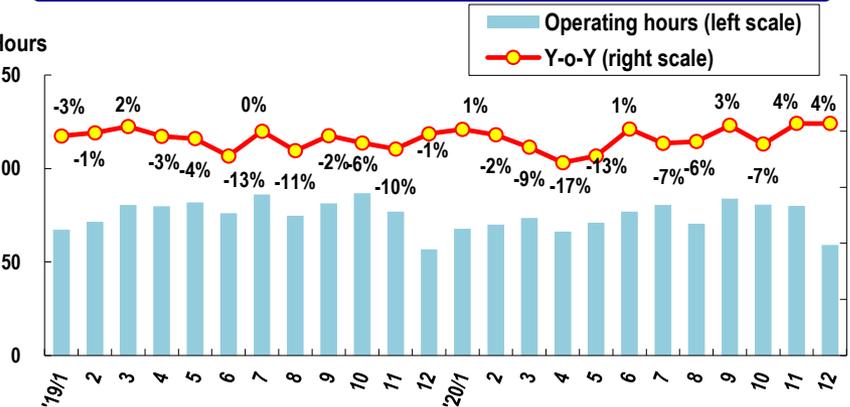


[Source]: Demand for 7 major products estimated by Komatsu
 Projection (Current) Projection (July)

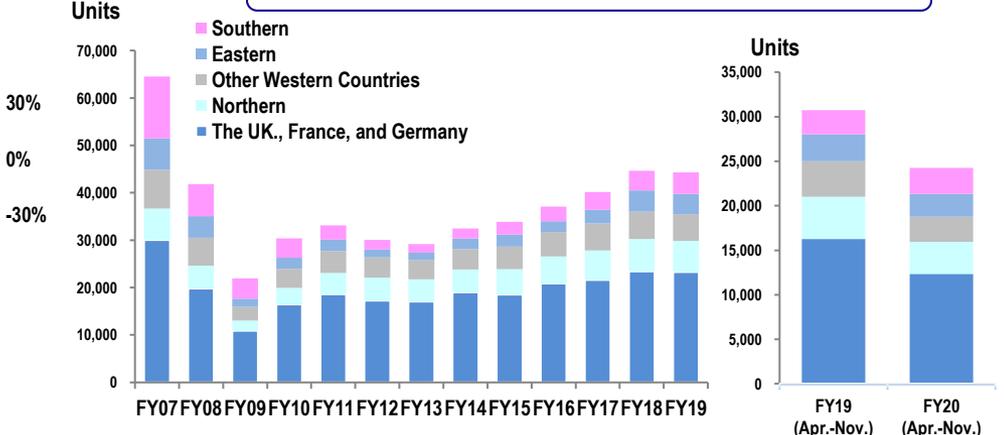
Quarterly demand for 7 major products



Komtrax in Europe: Average operating hours per month

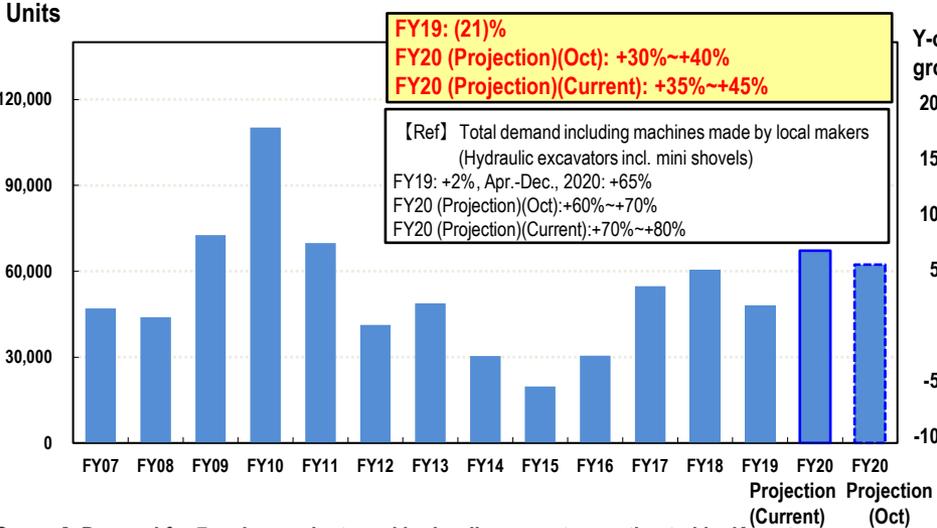


Region demand for 7 major products (Excl. 6t class)

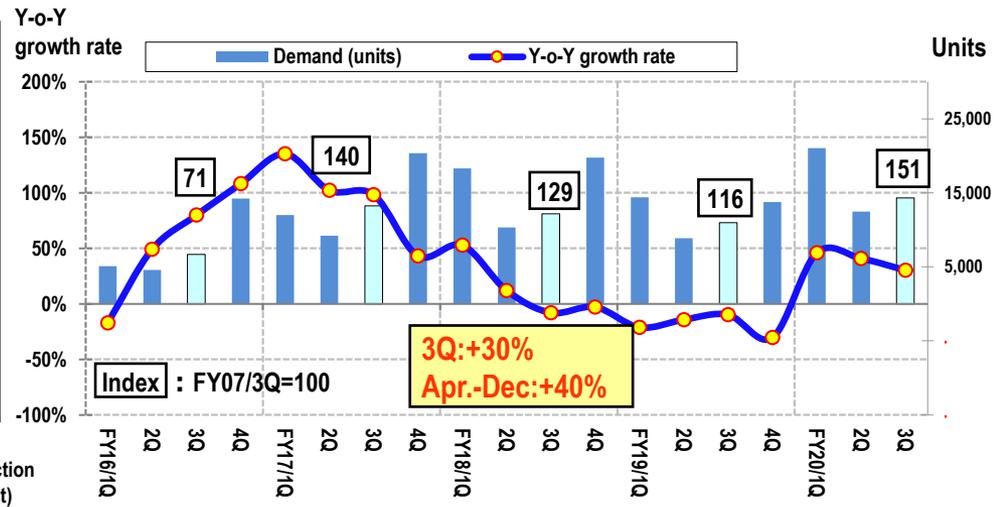


- In the third quarter of FY2020, demand increased presumably by 30% from the corresponding period a year ago.
- We have revised our projection of FY2020 full-year demand to +35% to +45% from FY2019.
- We project that demand will remain strong thanks to public investment by the government.

Annual demand for 7 major products (Foreign makers)

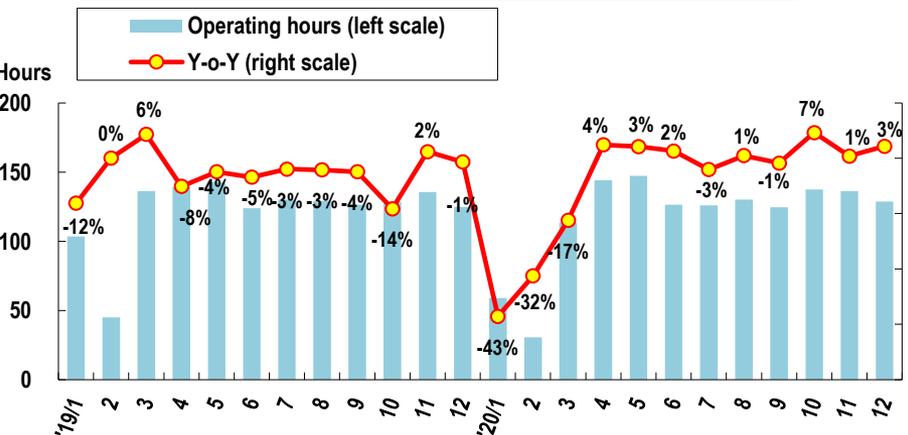


Quarterly demand for 7 major products (Foreign makers)

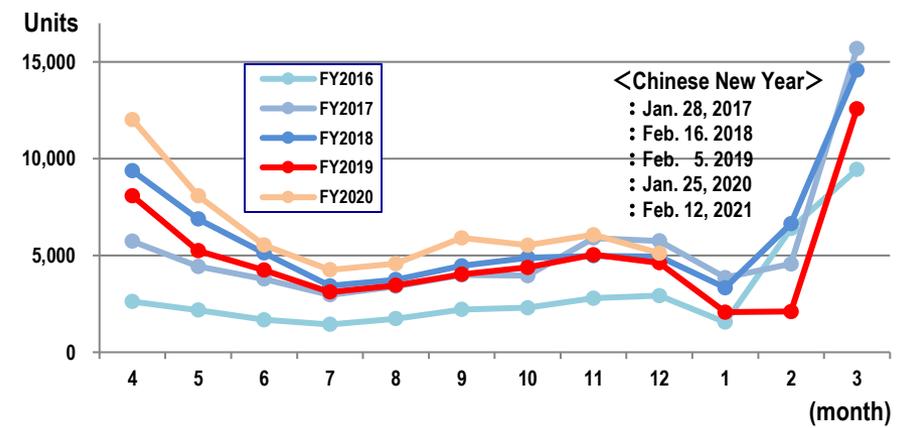


[Source]: Demand for 7 major products and hydraulic excavators estimated by Komatsu

Komtrax in China : Average operating hours per month

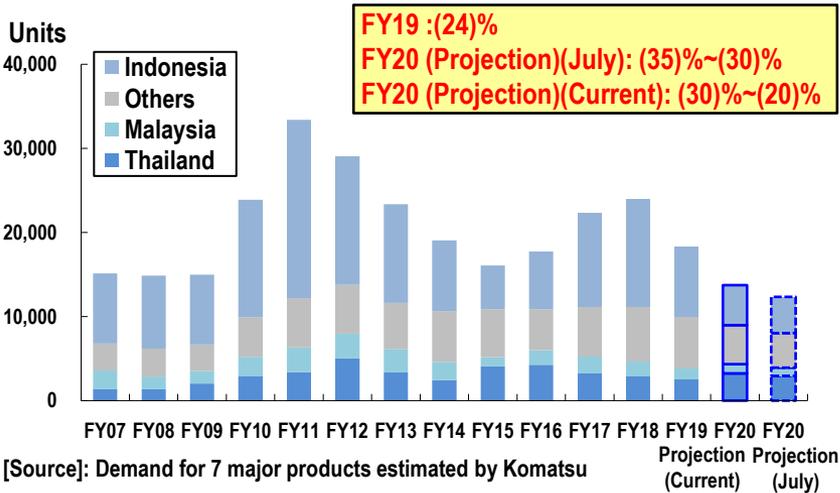


Monthly demand for hydraulic excavators : All model

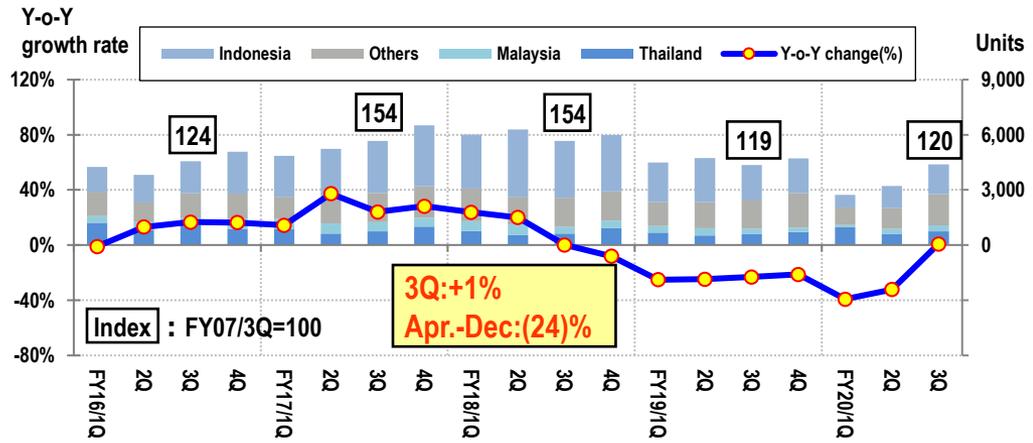


- In the third quarter of FY2020, demand presumably remained flat from the corresponding period a year ago.
- We have revised our projection of FY2020 full-year demand to -30% to -20% from FY2019.
- Demand is beginning to recover for construction equipment in major countries, including Indonesia, the largest market of the region.

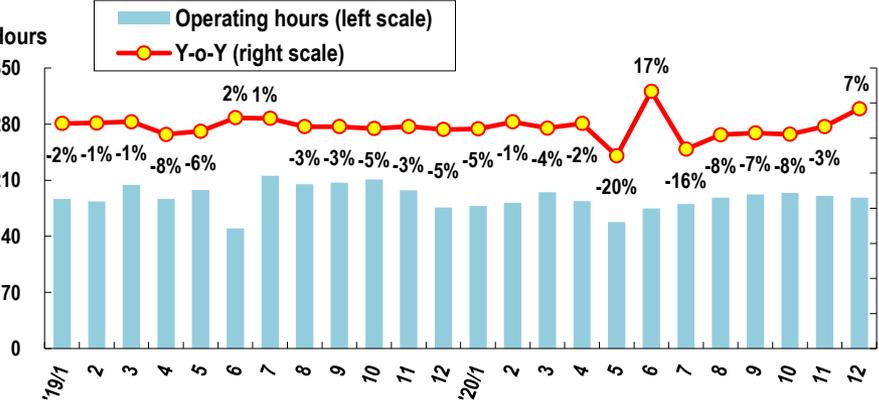
Annual demand for 7 major products



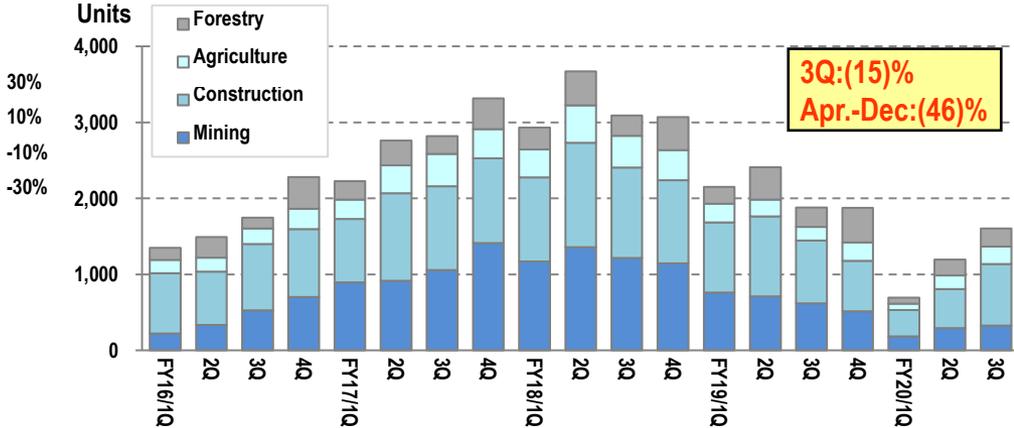
Quarterly demand for 7 major products



Komtrax in Indonesia: Average operating hours per month



Indonesia: Demand for construction & mining equipment by industrial sector



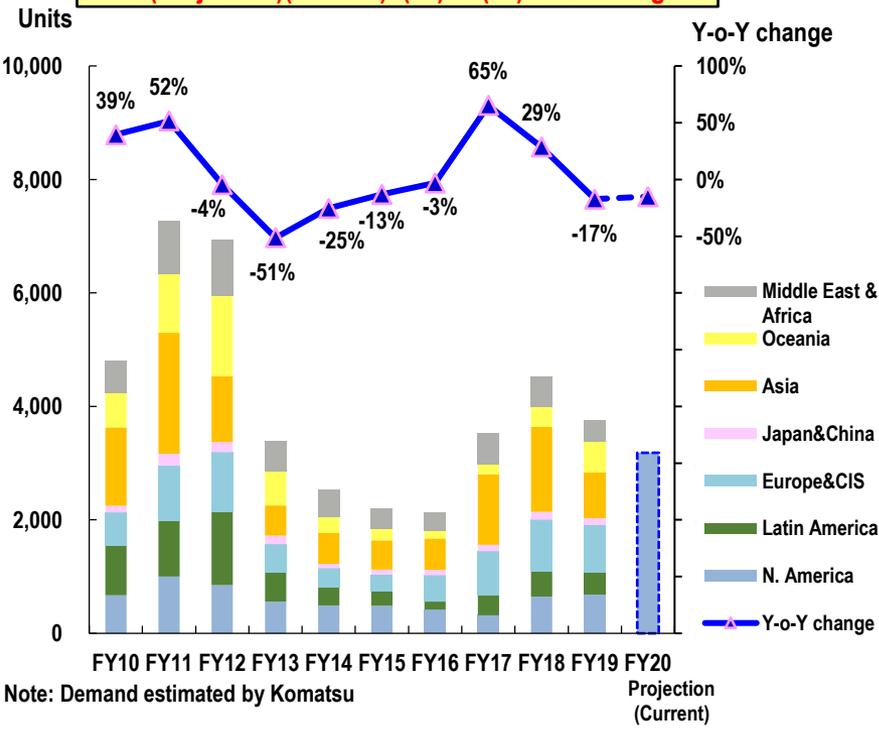
Construction, Mining & Utility Equipment : Actual and Projected Demand for Mining Equipment

- In 3Q FY2020, global demand for mining equipment declined by 8% from the corresponding period a year ago.
- We project that full-year demand will decline by 20% to 10% in FY2020 from FY2019 (unchanged from our projection of July 2020).

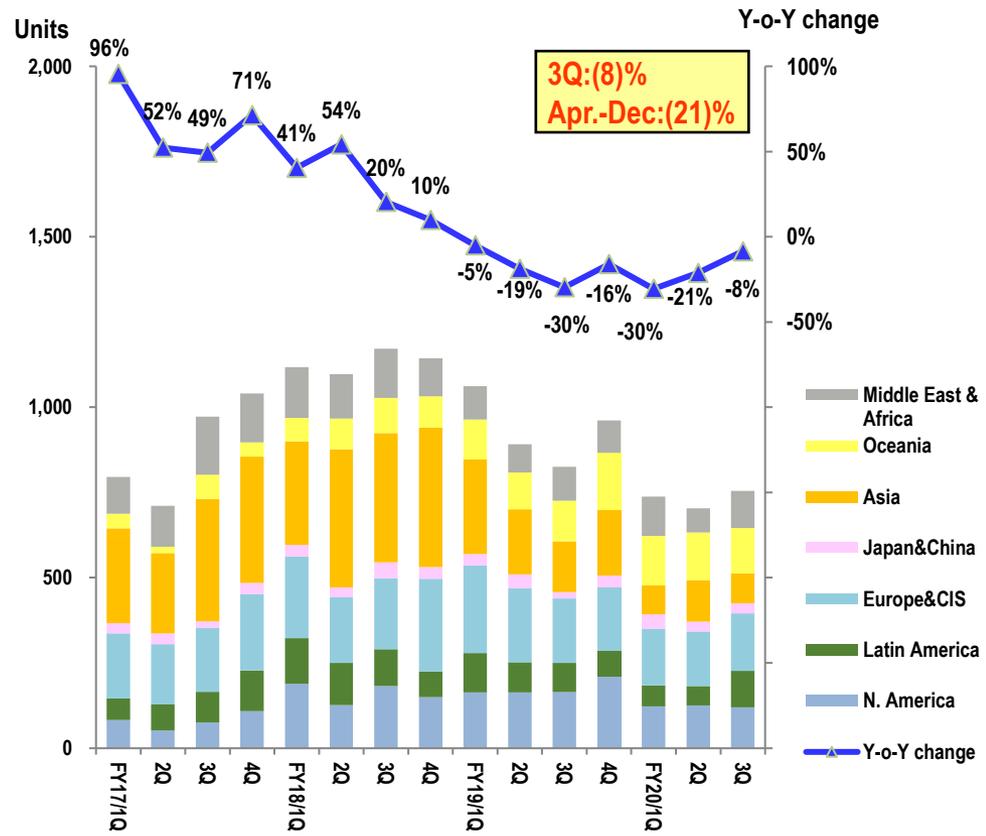
Annual demand for mining equipment

- Dump trucks: 75 tons (HD785) and larger
- Wheel loaders (mechanical driven): 810HP (WA800) and larger
- Bulldozers: 525HP (D375) and larger
- Motor graders: 280HP (GD825) and larger
- Excavators: 200 tons (PC2000) and larger

FY19 : (17)%
FY20 (Projection)(July): (20)%~(10)%
FY20 (Projection)(Current): (20)%~(10)% *Unchanged

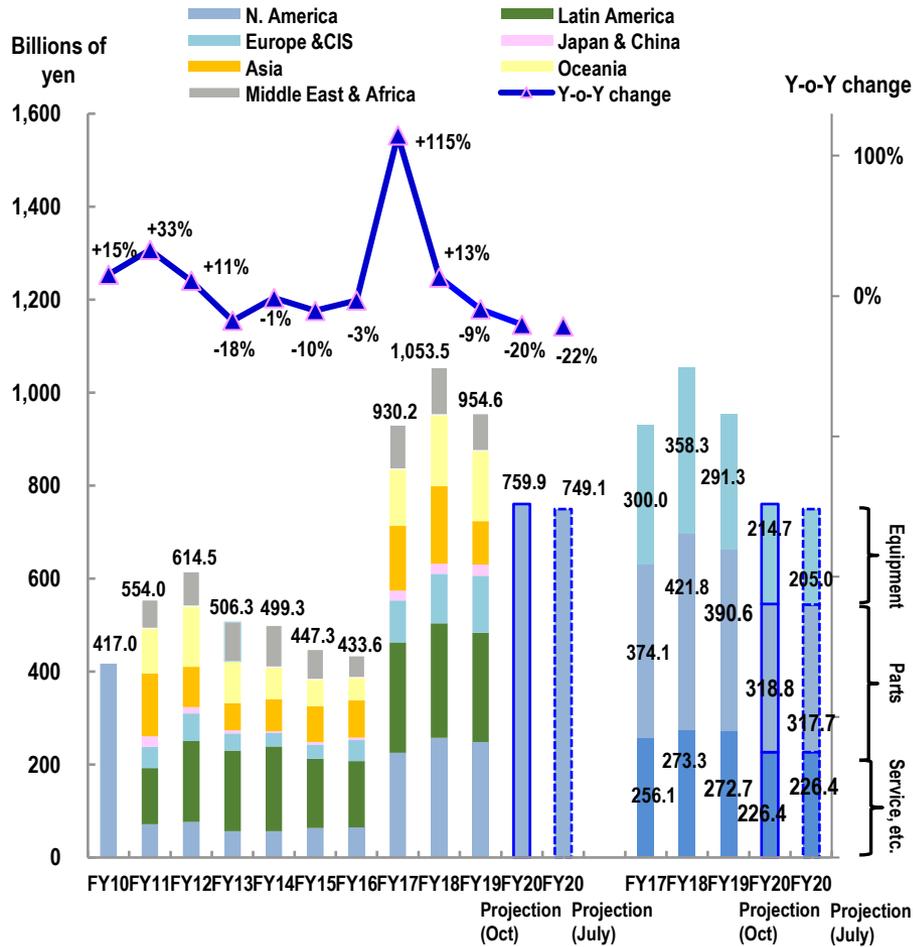


Quarterly demand for mining equipment

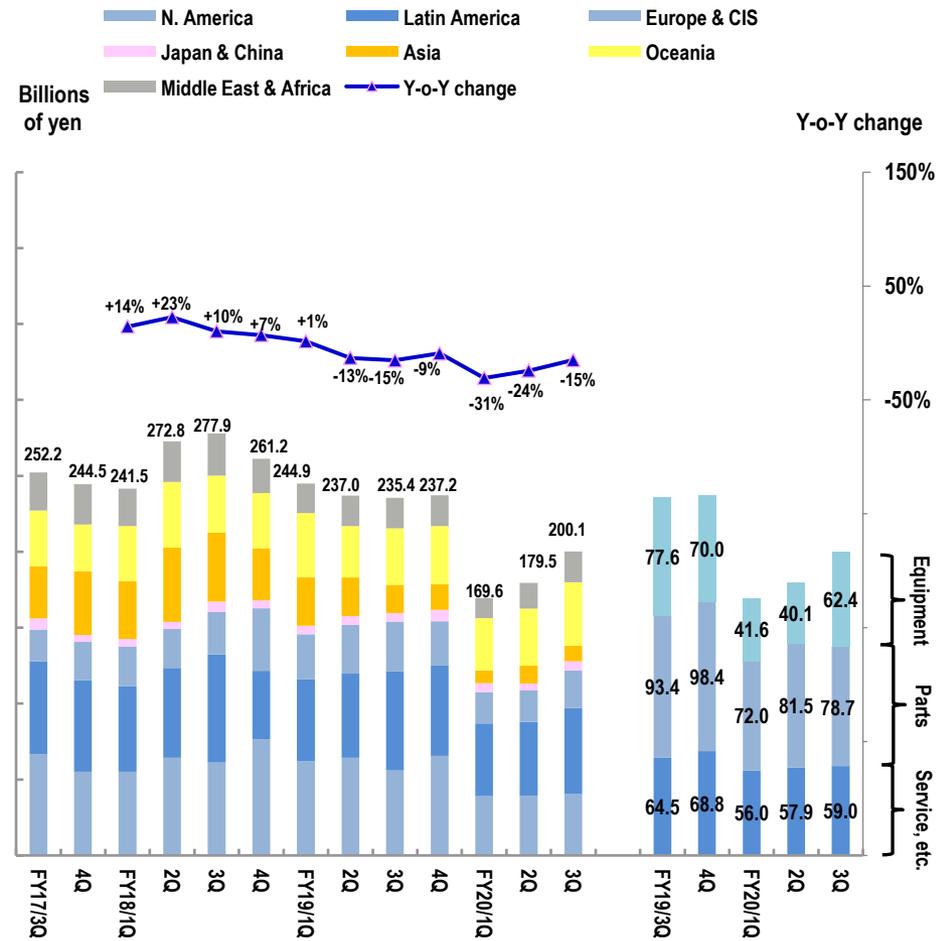


- For 3Q FY2020, sales decreased by 15% from the corresponding period a year ago, to JPY200.1 billion.
- Sales decreased, especially in North America and Asia.

Annual sales of mining equipment (incl. parts and service)

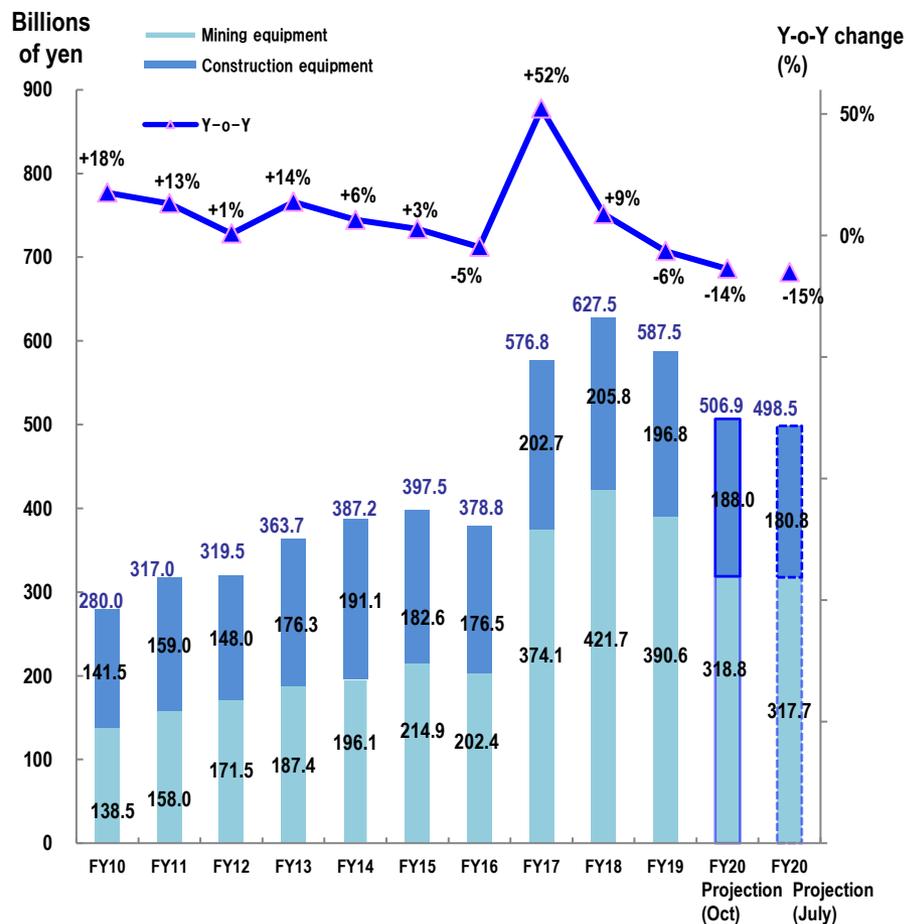


Quarterly sales of mining equipment (incl. parts and service)

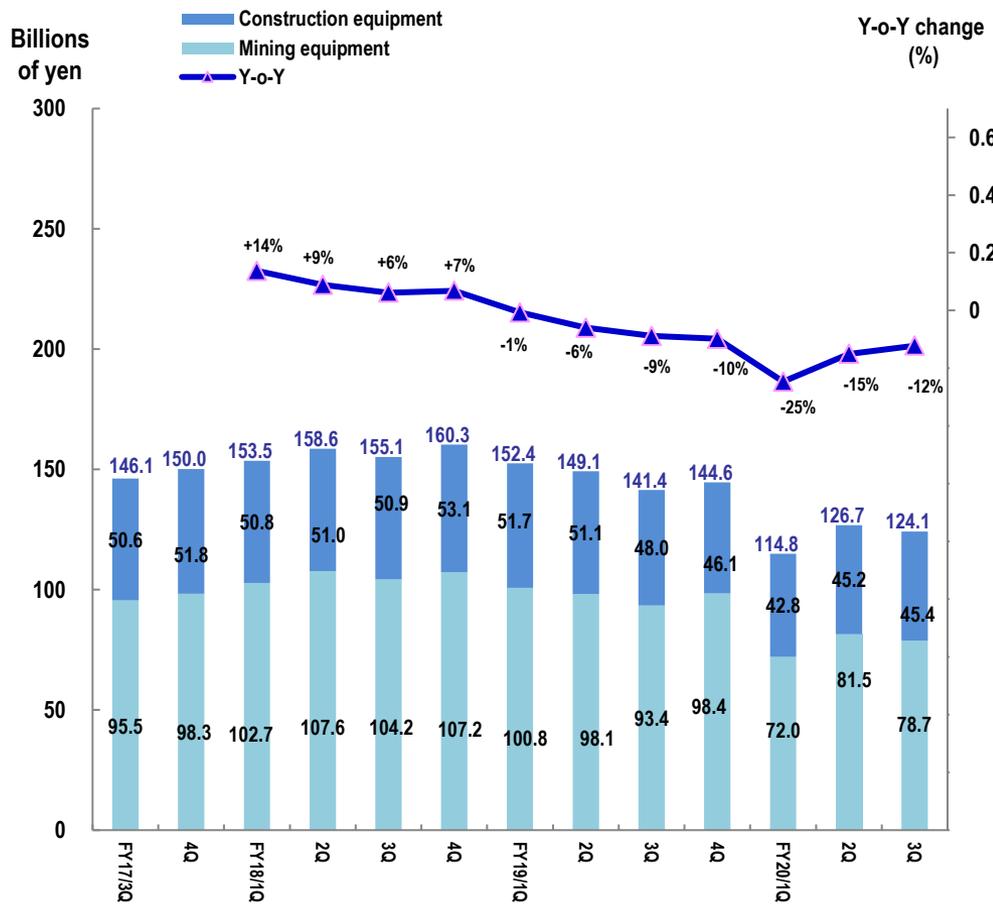


- For 3Q FY2020, sales of parts decreased by 12% from the corresponding period a year ago, to JPY124.1 billion.
- Sales of parts, especially for mining equipment, declined.

Annual sales of parts



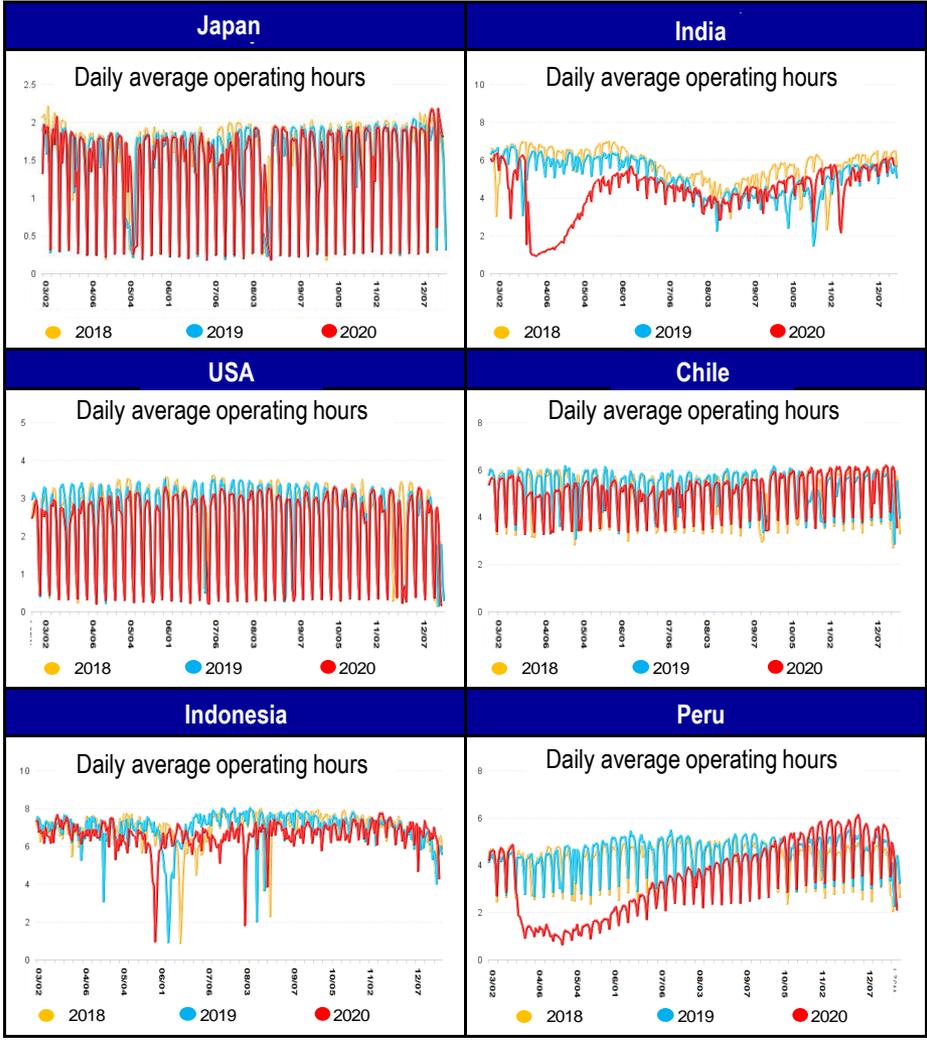
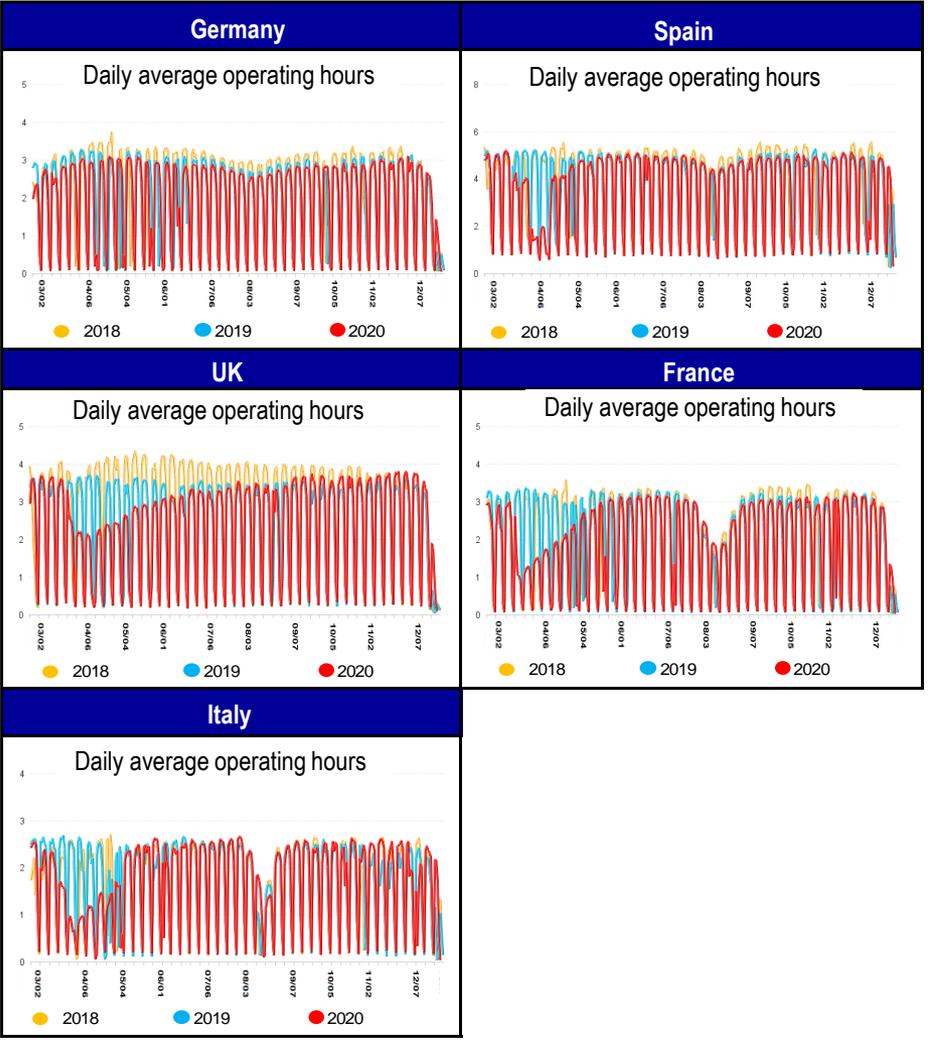
Quarterly sales of parts



Appendix

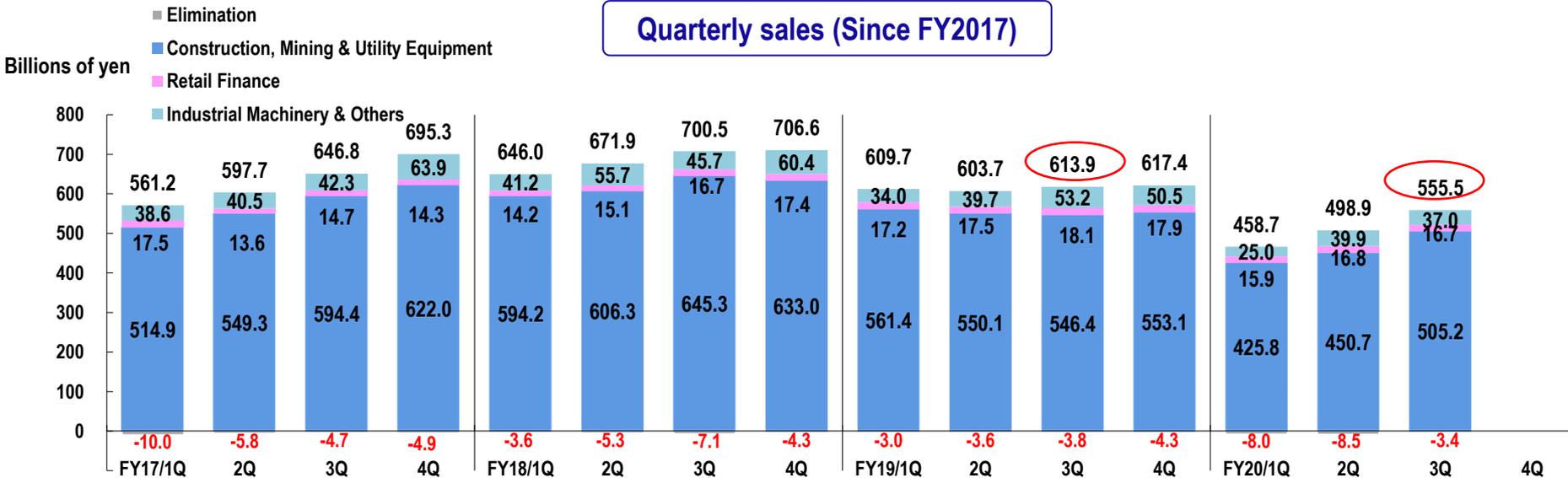
Major European Countries

Other Regions



Daily average operating hours: Daily average hours of machine use per unit of Komtrax-installed Komatsu construction equipment.

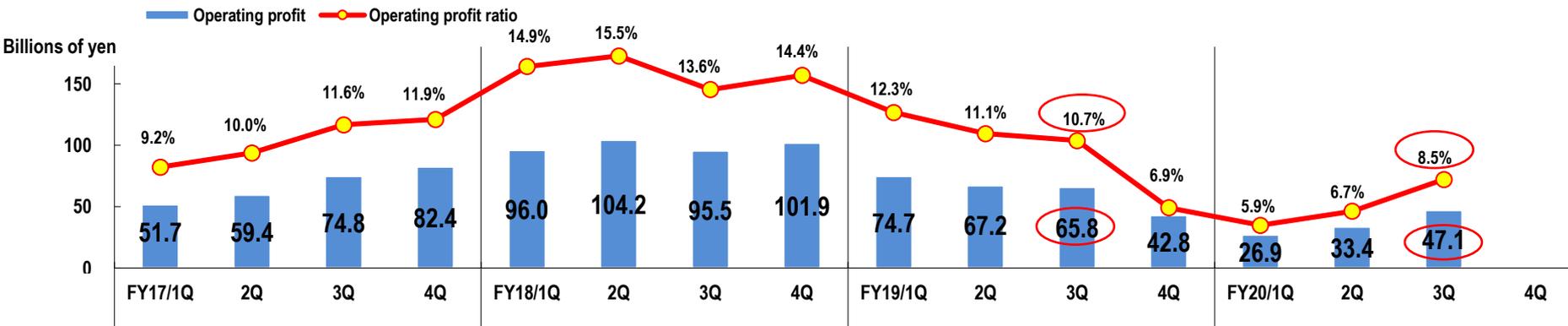
Quarterly sales (Since FY2017)



Exchange rates

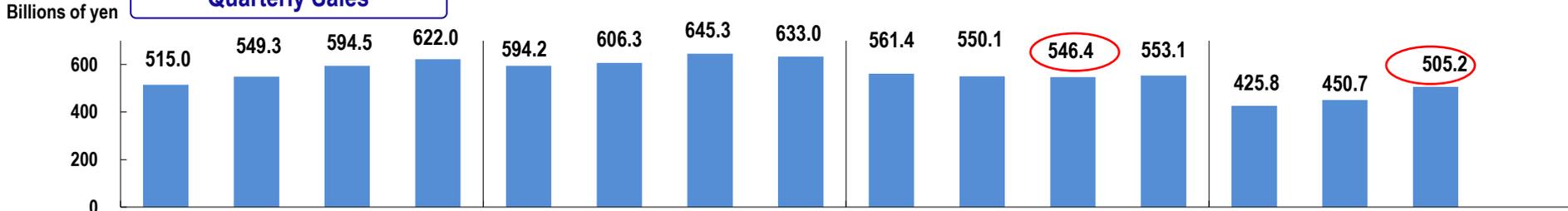
	17/1Q	17/2Q	17/3Q	17/4Q	18/1Q	18/2Q	18/3Q	18/4Q	19/1Q	19/2Q	19/3Q	19/4Q	20/1Q	20/2Q	20/3Q	20/4Q
¥/USD	111.2	110.9	113.0	109.6	108.2	111.2	113.5	109.4	110.0	107.9	108.6	108.1	107.5	106.7	104.9	-
¥/EUR	121.6	129.9	133.2	133.7	130.1	129.6	129.6	124.7	123.2	120.0	119.7	120.0	118.6	124.2	123.4	-
¥/RMB	16.3	16.6	17.0	17.2	17.1	16.4	16.4	16.2	16.2	15.5	15.4	15.5	15.1	15.3	15.7	-

Quarterly operating income (Since FY2017)



Construction, Mining & Utility Equipment: Quarterly Sales and Segment Profit

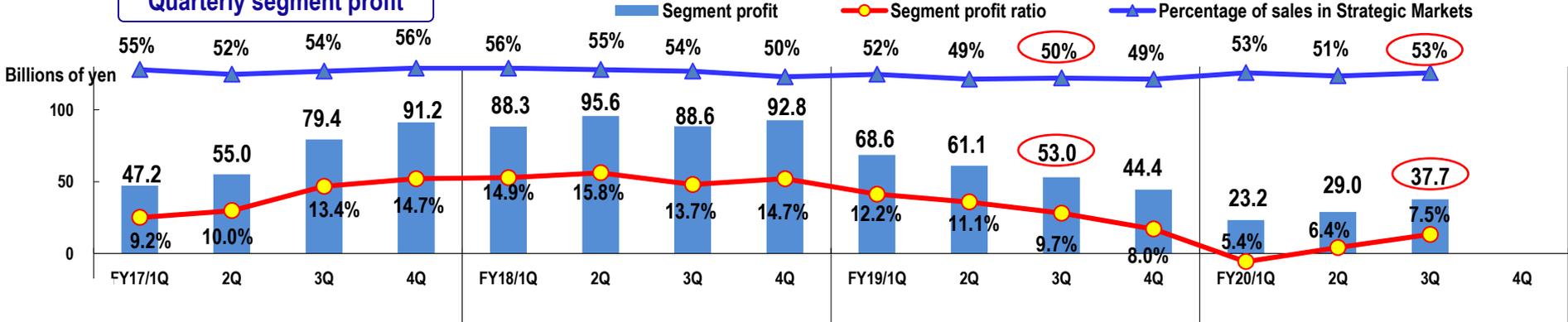
Quarterly Sales



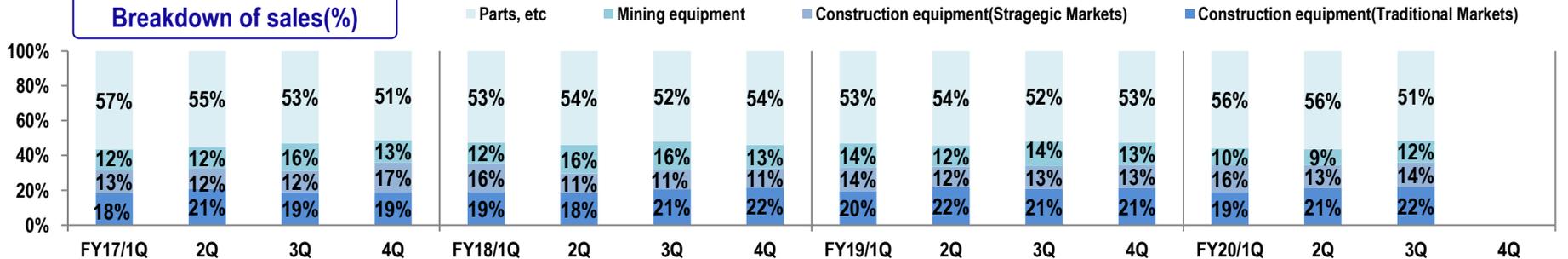
Exchange rates

	FY17/1Q				FY18/1Q				FY19/1Q				FY20/1Q			
	17/1Q	17/2Q	17/3Q	17/4Q	18/1Q	18/2Q	18/3Q	18/4Q	19/1Q	19/2Q	19/3Q	19/4Q	20/1Q	20/2Q	20/3Q	20/4Q
¥/USD	111.2	110.9	113.0	109.6	108.2	111.2	113.5	109.4	110.0	107.9	108.6	108.1	107.5	106.7	104.9	
¥/EUR	121.6	129.9	133.2	133.7	130.1	129.6	129.6	124.7	123.2	120.0	119.7	120.0	118.6	124.2	123.4	
¥/RMB	16.3	16.6	17.0	17.2	17.1	16.4	16.4	16.2	16.2	15.5	15.4	15.5	15.1	15.3	15.7	

Quarterly segment profit

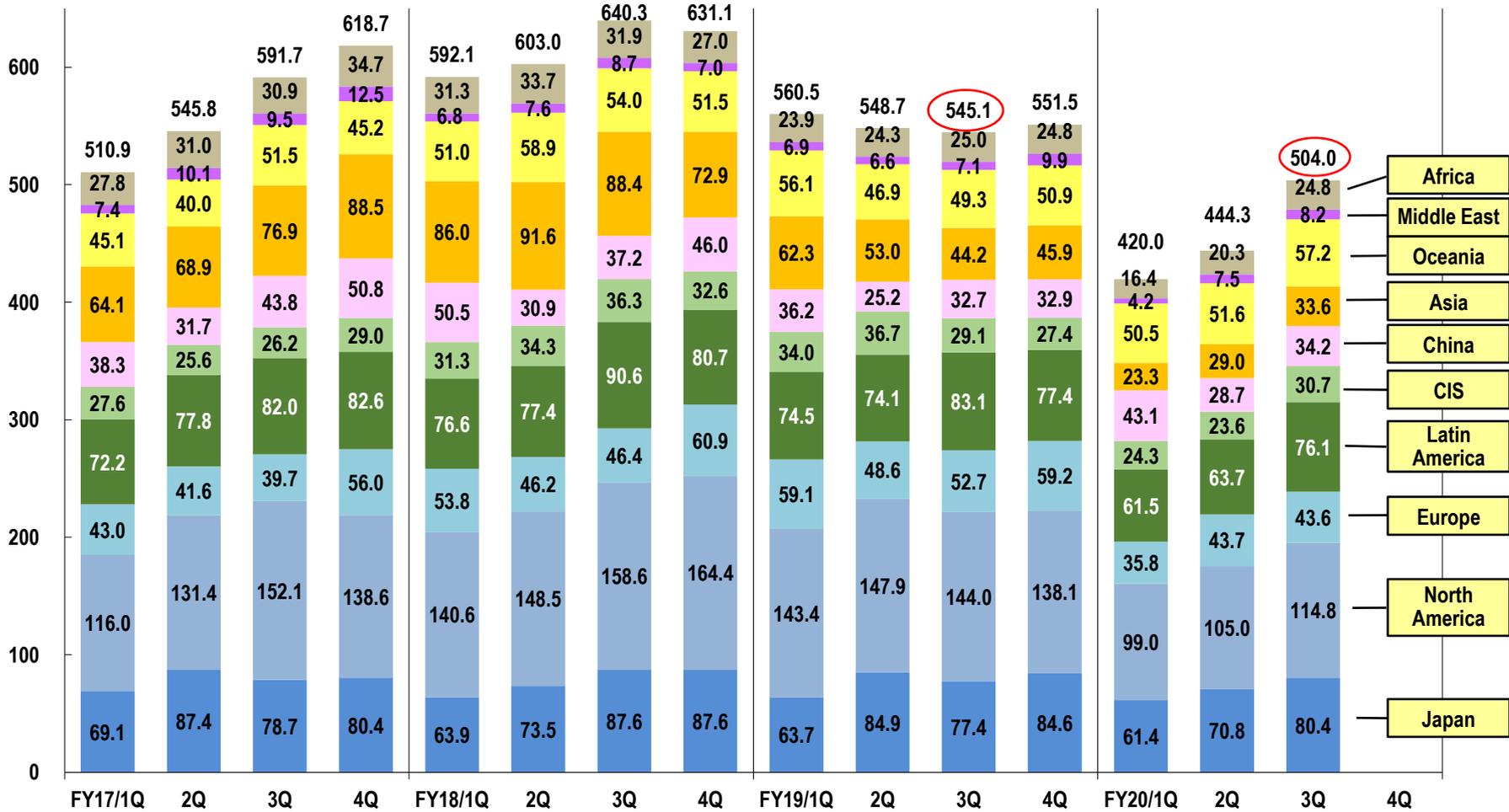


Breakdown of sales(%)



Construction, Mining & Utility Equipment: Quarterly Sales by Region (To Outside Customers) 31

Billions of yen



Exchange rates

	17/1Q	17/2Q	17/3Q	17/4Q
¥/USD	111.2	110.9	113.0	109.6
¥/EUR	121.6	129.9	133.2	133.7
¥/RMB	16.3	16.6	17.0	17.2

	18/1Q	18/2Q	18/3Q	18/4Q
¥/USD	108.2	111.2	113.5	109.4
¥/EUR	130.1	129.6	129.6	124.7
¥/RMB	17.1	16.4	16.4	16.2

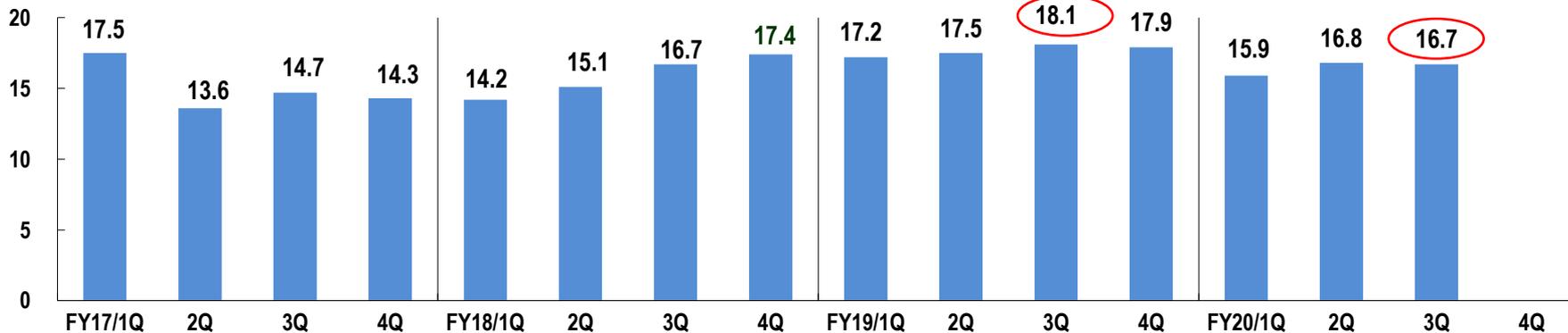
	19/1Q	19/2Q	19/3Q	19/4Q
¥/USD	110.0	107.9	108.6	108.1
¥/EUR	123.2	120.0	119.7	120.0
¥/RMB	16.2	15.5	15.4	15.5

	20/1Q	20/2Q	20/3Q	20/4Q
¥/USD	107.5	106.7	104.9	
¥/EUR	118.6	124.2	123.4	
¥/RMB	15.1	15.3	15.7	

Retail Finance: Quarterly Sales and Segment Profit

Billions of yen

Quarterly sales

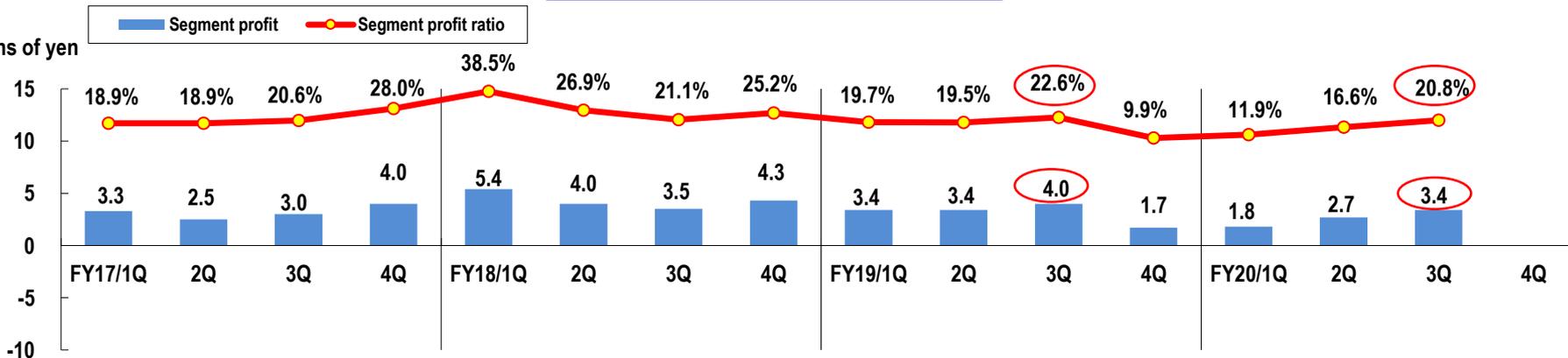


Exchange rates

	17/1Q	17/2Q	17/3Q	17/4Q	18/1Q	18/2Q	18/3Q	18/4Q	19/1Q	19/2Q	19/3Q	19/4Q	20/1Q	20/2Q	20/3Q	20/4Q
¥/USD	111.2	110.9	113.0	109.6	108.2	111.2	113.5	109.4	110.0	107.9	108.6	108.1	107.5	106.7	104.9	
¥/EUR	121.6	129.9	133.2	133.7	130.1	129.6	129.6	124.7	123.2	120.0	119.7	120.0	118.6	124.2	123.4	
¥/RMB	16.3	16.6	17.0	17.2	17.1	16.4	16.4	16.2	16.2	15.5	15.4	15.5	15.1	15.3	15.7	

Quarterly segment profit

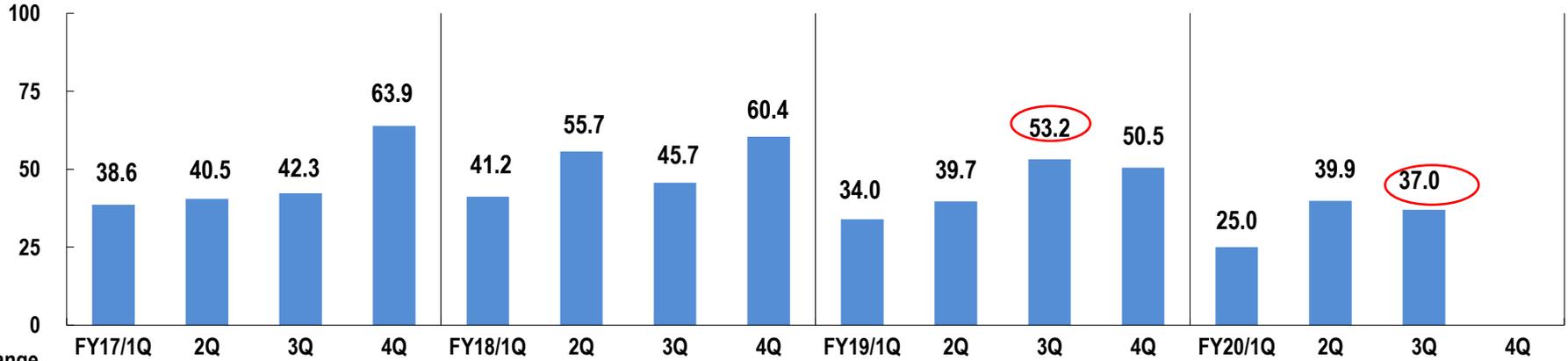
Billions of yen



Industrial Machinery & Others: Quarterly Sales and Segment Profit

Billions of yen

Quarterly sales

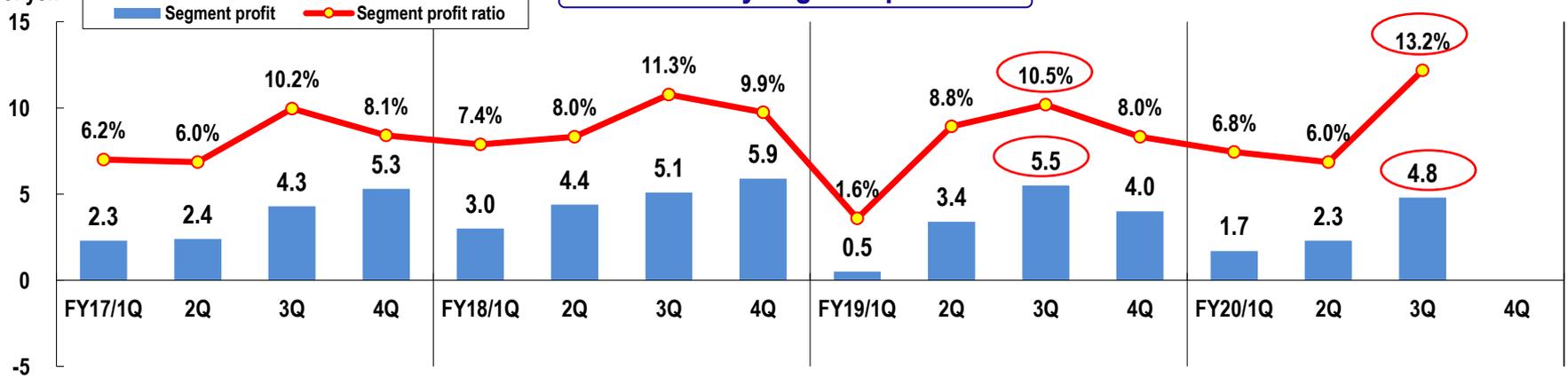


Exchange rates

	17/1Q	17/2Q	17/3Q	17/4Q	18/1Q	18/2Q	18/3Q	18/4Q	19/1Q	19/2Q	19/3Q	19/4Q	20/1Q	20/2Q	20/3Q	20/4Q
¥/USD	111.2	110.9	113.0	109.6	108.2	111.2	113.5	109.4	110.0	107.9	108.6	108.1	107.5	106.7	104.9	
¥/EUR	121.6	129.9	133.2	133.7	130.1	129.6	129.6	124.7	123.2	120.0	119.7	120.0	118.6	124.2	123.4	
¥/RMB	16.3	16.6	17.0	17.2	17.1	16.4	16.4	16.2	16.2	15.5	15.4	15.5	15.1	15.3	15.7	

Billions of yen

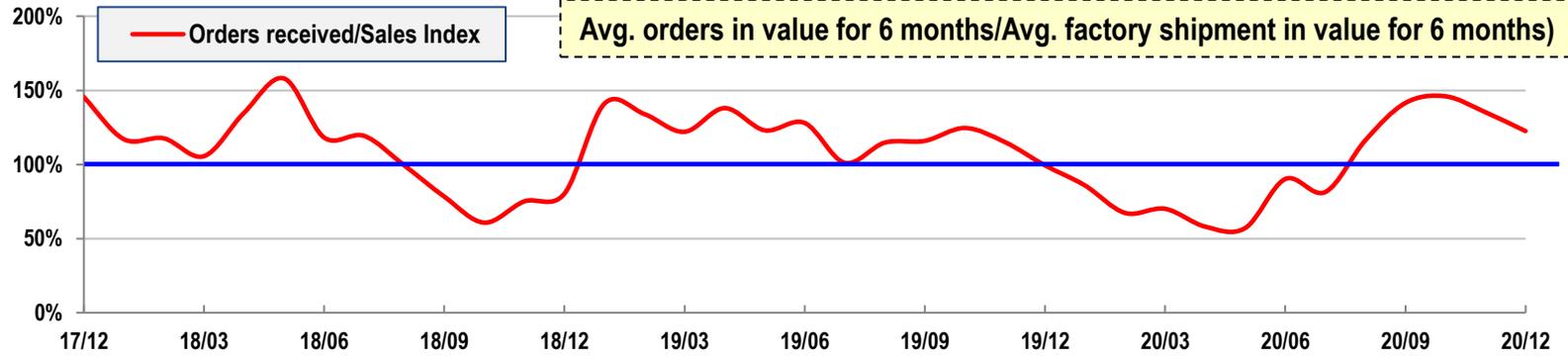
Quarterly segment profit



Book-to-Bill Ratio for Mining Equipment (6 Months)

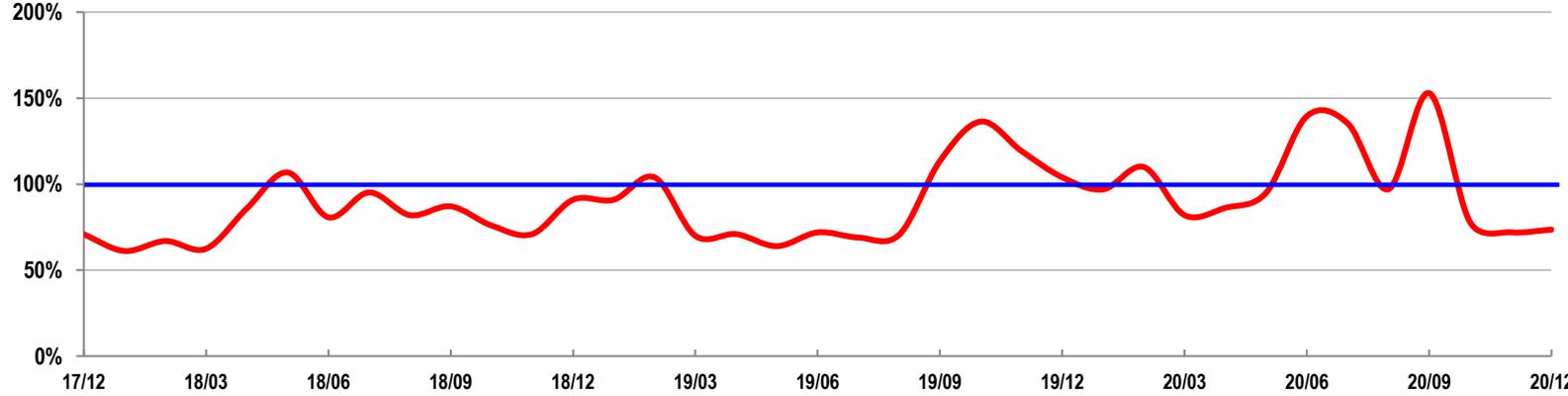
Komatsu America (Mining eqpt)

730E, 830E, 860E
930E, 960E, 980E



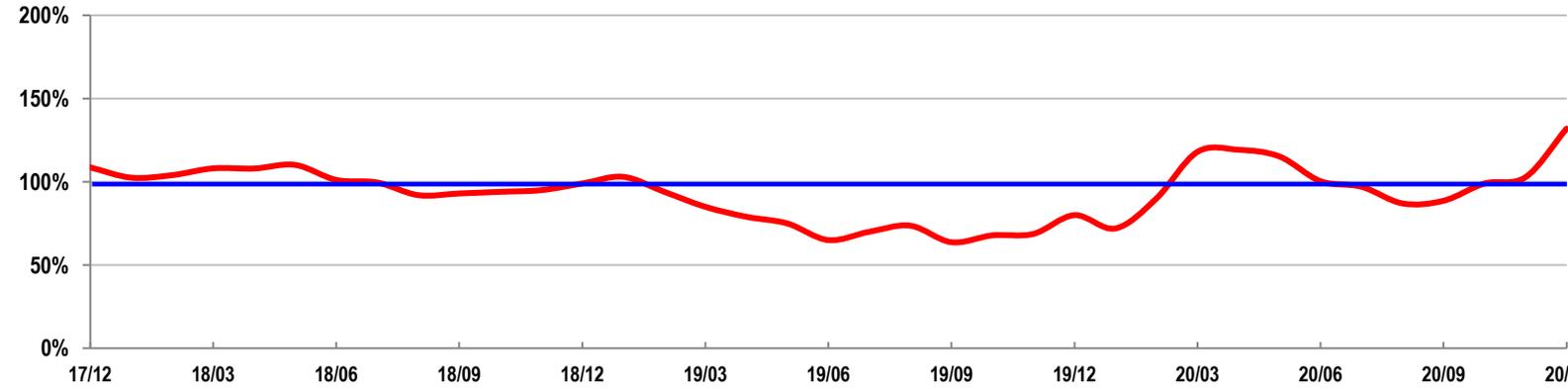
Komatsu Germany (Mining eqpt)

PC3000, PC4000
PC5500, PC7000
PC8000



Komatsu Ltd. (Mining eqpt)

HD785, HD1500
PC2000, PC3000
PC4000
WA800 up
D375A up
GD825A up

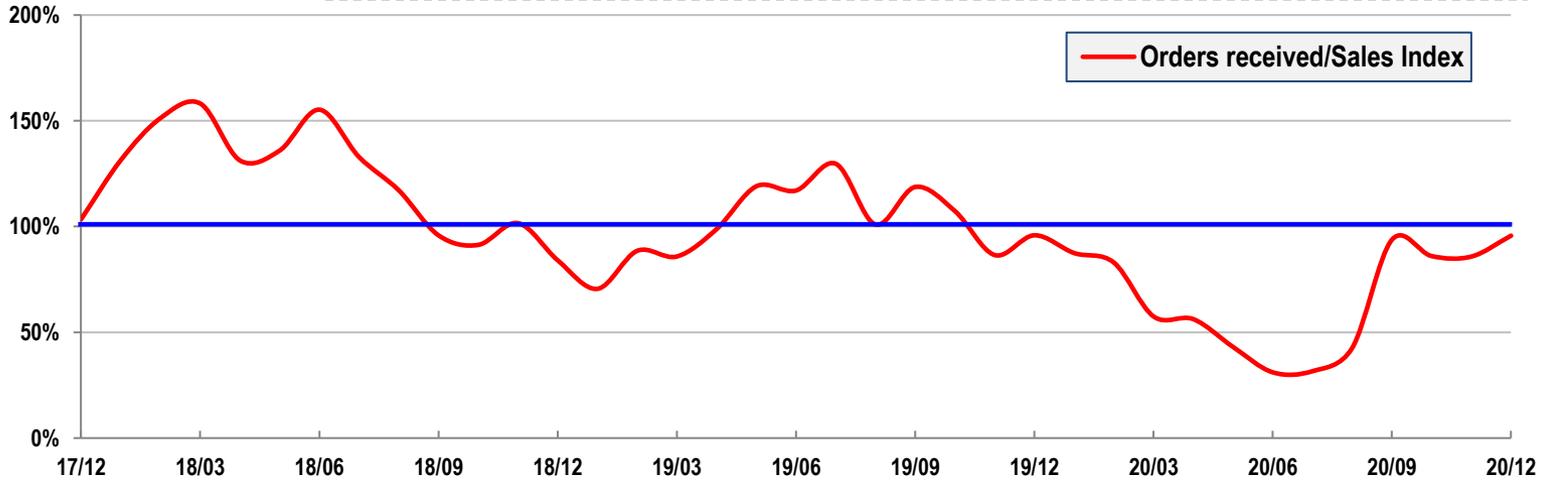


Book-to-Bill Ratio for KMC Mining Equipment (6 Months)

Avg. orders in value for 6 months / Avg. factory shipment in value for 6 months

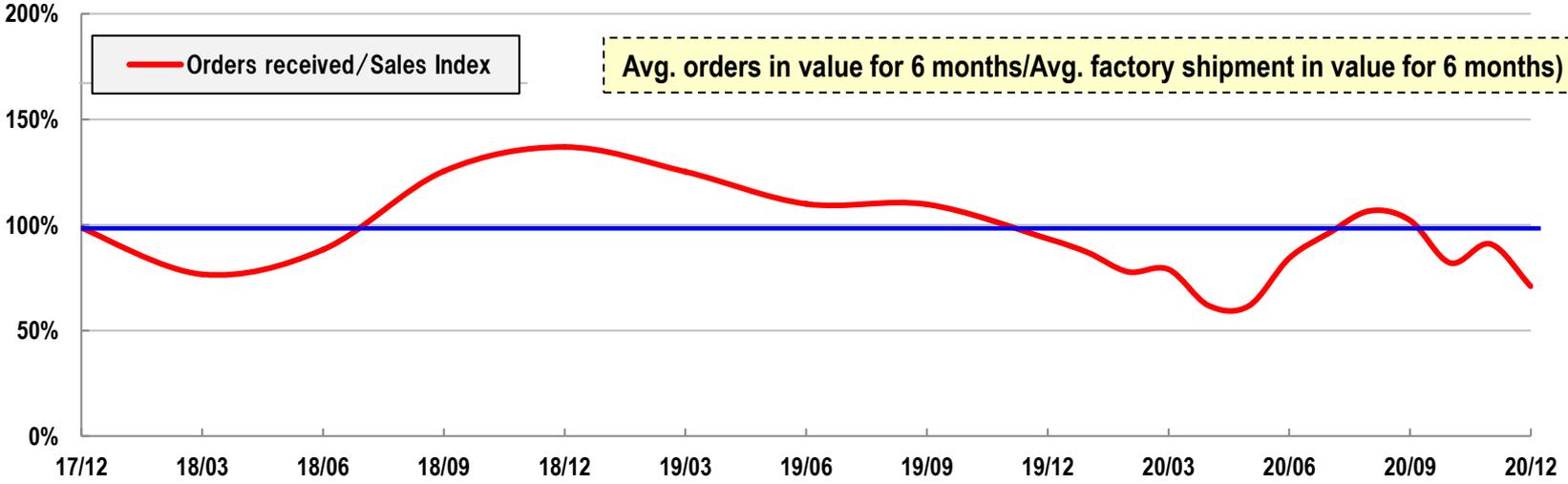
KMC
(Mining eqpt)

- < Surface >
 - Rope Shovel
 - Blasthole Drills
 - Dragline ,etc
- < Underground >
 - Continuous Miner
 - Sheerer
 - Load Haul Dump Machine
 - Jumbo Drills,etc

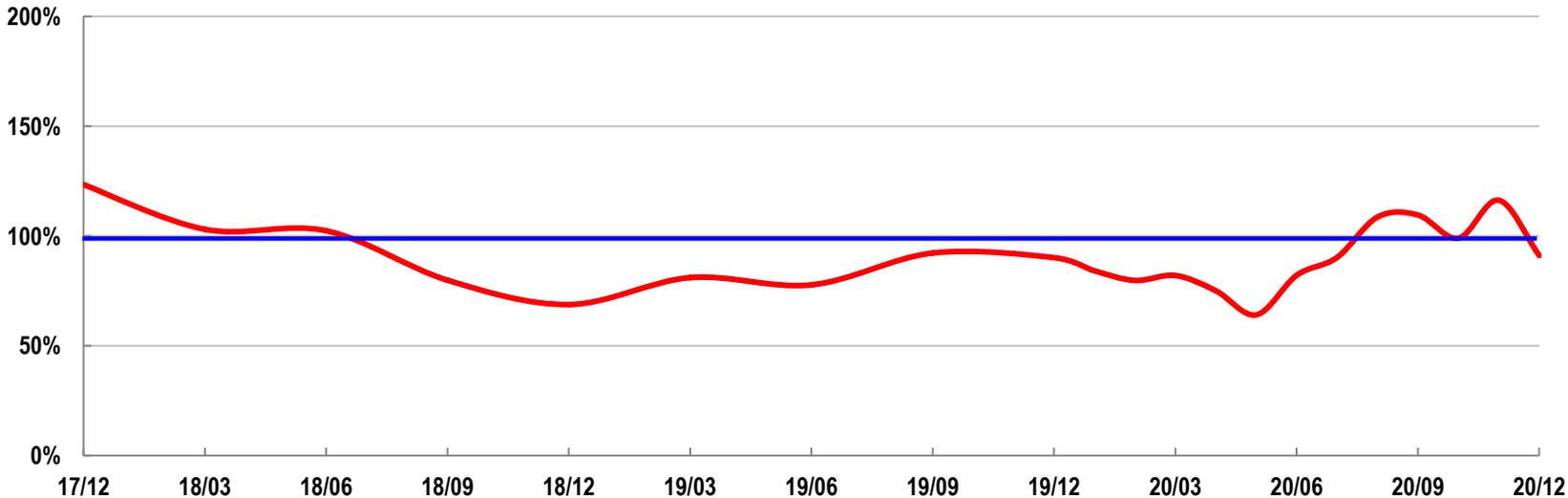


Book-to-Bill Ratio for Industrial Machinery (6 Months)

Komatsu Industries



Komatsu NTC



Member of

Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Komatsu was selected as a component of the **Dow Jones Sustainability World Index (DJSI World)** in 2020, an internationally leading SRI index.

News Release on November 16, 2020



A LIST
2020

CLIMATE



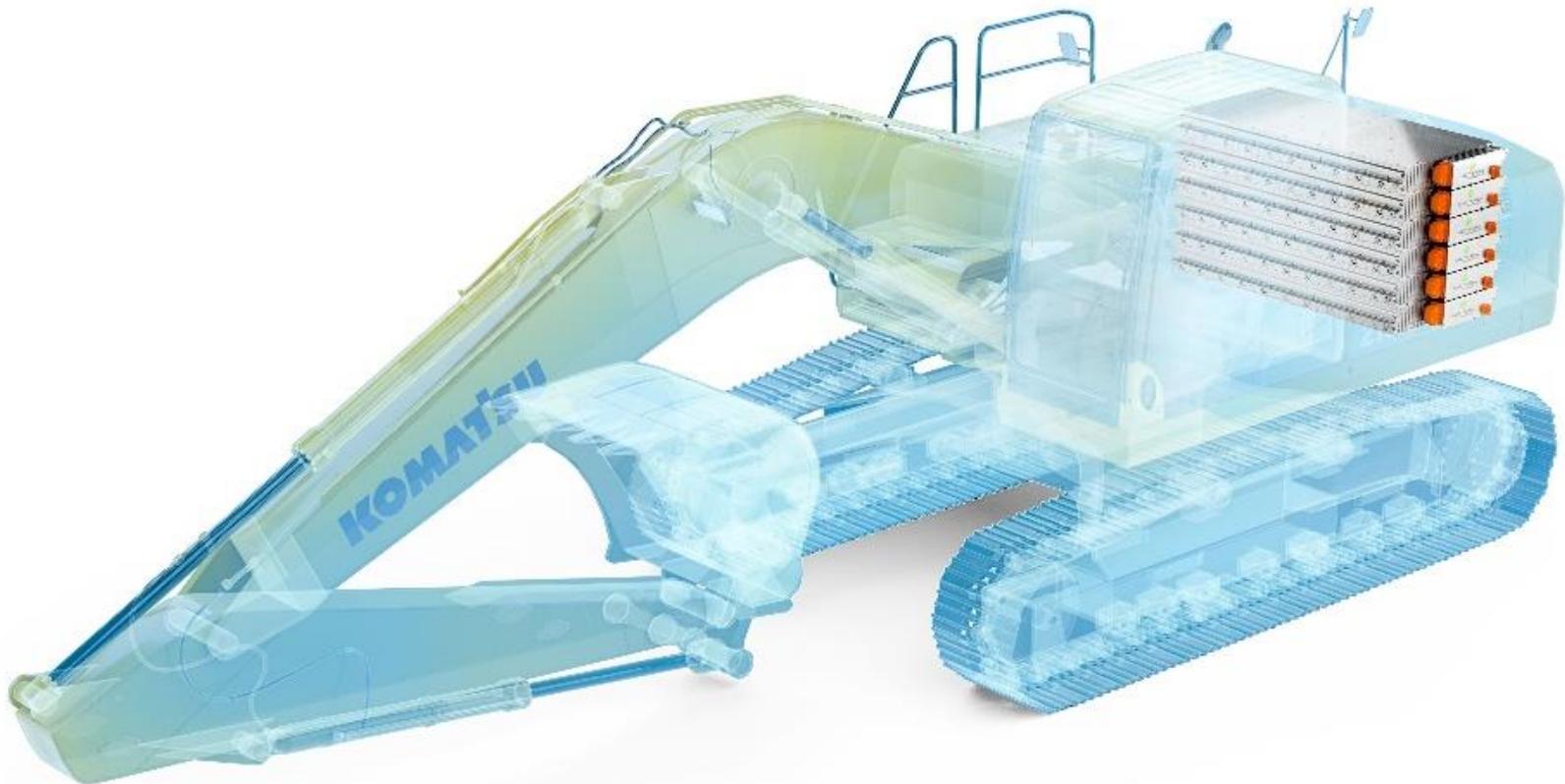
A LIST
2020

WATER

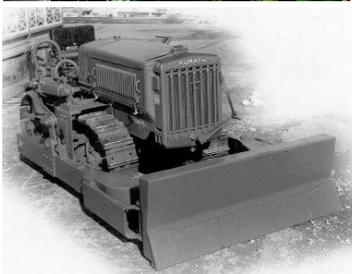
In 2020, Komatsu has been identified as **Climate & Water "A" List** company by CDP, the non-profit global environmental disclosure platform.

News Release on December 9, 2020

- Komatsu has signed a collaboration agreement with Proterra Inc of the United States, to receive the supply of Proterra's industry-leading battery systems with the aim of having Komatsu electrify its small and medium-sized hydraulic excavators.
- Komatsu plans to advance the PoC (Proof of Concept) tests starting in 2021 and enter commercial production of its electric excavators in 2023 to 2024.



Conceptual images of Electric Excavators



The 100th anniversary website has been pre-opened.



Cautionary Statement

The announcement set forth herein contains forward-looking statements which reflect management's current views with respect to certain future events, including expected financial position, operating results, and business strategies. These statements can be identified by the use of terms such as "will," "believes," "should," "projects" and similar terms and expressions that identify future events or expectations. Actual results may differ materially from those projected, and the events and results of such forward-looking assumptions cannot be assured. Factors that may cause actual results to differ materially from those predicted by such forward-looking statements include, but are not limited to, unanticipated changes in demand for the Company's principal products, owing to changes in the economic conditions in the Company's principal markets; changes in exchange rates or the impact of increased competition; unanticipated cost or delays encountered in achieving the Company's objectives with respect to globalized product sourcing and new Information Technology tools; uncertainties as to the results of the Company's research and development efforts and its ability to access and protect certain intellectual property rights; and, the impact of regulatory changes and accounting principles and practices.