



**Komatsu Ltd.**

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Date: January 31, 2023

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**Consolidated Business Results for Nine Months of the Fiscal Year Ending  
March 31, 2023 (U.S. GAAP)**

**1. Results for Nine Months Ended December 31, 2022**

(Amounts are rounded to the nearest million yen)

(1) Consolidated Financial Highlights

Millions of yen except per share amounts

	<b>Nine Months ended December 31, 2022</b>	Nine Months ended December 31, 2021	Changes Increase (Decrease)	
	[A]	[B]	[A-B]	[(A-B)/B]
Net sales	<b>2,539,232</b>	2,014,677	524,555	26.0%
Operating income	<b>346,599</b>	223,763	122,836	54.9%
Income before income taxes and equity in earnings of affiliated companies	<b>339,807</b>	224,315	115,492	51.5%
Net income attributable to Komatsu Ltd.	<b>231,911</b>	155,502	76,409	49.1%
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	<b>¥245.30</b>	¥164.53	¥80.77	
Diluted	<b>¥245.26</b>	¥164.49	¥80.77	

Note: Comprehensive income for nine months ended December 31, 2022 and 2021

2022: 305,754 millions of yen, up 37.0% from 2021

2021: 223,151 millions of yen, up 138.8% from 2020

(2) Consolidated Financial Position

Millions of yen except per share amounts

	<b>As of December 31, 2022</b>	As of March 31, 2022
Total assets	<b>4,783,649</b>	4,347,522
Total equity	<b>2,538,289</b>	2,356,277
Komatsu Ltd. shareholders' equity	<b>2,407,652</b>	2,232,511
Komatsu Ltd. shareholders' equity ratio	<b>50.3%</b>	51.4%
Komatsu Ltd. shareholders' equity per share (Yen)	<b>¥2,546.21</b>	¥2,361.66

## 2. Dividends

(For the fiscal years ended March 31, 2022 and ending March 31, 2023)

Yen

	The entire FY ending March 31, 2023		The entire FY ended March 31, 2022
	Results	2023 Projections	
First quarter period			
Second quarter period	64.00		40.00
Third quarter period			
Year-end		64.00	56.00
Total		128.00	96.00

Note: Changes in the projected cash dividend as of January 31, 2023: None

## 3. Projections for the Fiscal Year Ending March 31, 2023

(From April 1, 2022 to March 31, 2023)

Millions of yen except per share amounts

	2023	
		Changes Increase (Decrease)
Net sales	3,460,000	23.5%
Operating income	440,000	38.8%
Income before income taxes and equity in earnings of affiliated companies	432,000	33.1%
Net income attributable to Komatsu Ltd.	298,000	32.5%
Net income attributable to Komatsu Ltd. per share - Basic (Yen)	¥315.19	

Notes: 1) Changes in the latest projected consolidated business results as of January 31, 2023: None

2) Percentages shown above represent the rates of change compared with the corresponding period a year ago.

## 4. Others

(1) Changes in important subsidiaries during the nine-month period under review: None

(2) Use of simplified accounting procedures and adoption of specific accounting procedures for the preparation of consolidated quarterly financial statements: None

(3) Changes in significant accounting rules, procedures and presentation and changes in significant accounting policies and estimates

1) Changes resulting from revisions in accounting standards, etc.: None

2) Changes in other matters except for 1) above: None

(4) Number of common shares outstanding

1) The numbers of common shares issued (including treasury stock) were as follows:

As of December 31, 2022: 973,450,930 shares

As of March 31, 2022: 973,145,800 shares

2) The numbers of treasury stock were as follows:

As of December 31, 2022: 27,866,853 shares

As of March 31, 2022: 27,833,236 shares

3) The weighted average numbers of common shares outstanding were as follows:

Nine months ended December 31, 2022: 944,594,059 shares

Nine months ended December 31, 2021: 944,148,028 shares

**[Reference]**

**Results for Three Months ended December 31, 2022**

Millions of yen except per share amounts

	Three Months ended December 31, 2022	Three Months ended December 31, 2021	Changes Increase (Decrease)	
	[A]	[B]	[A-B]	[(A-B)/B]
Net sales	920,497	723,277	197,220	27.3%
Operating income	134,965	87,479	47,486	54.3%
Income before income taxes and equity in earnings of affiliated companies	112,048	87,806	24,242	27.6%
Net income attributable to Komatsu Ltd.	69,343	62,361	6,982	11.2%
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	¥73.33	¥65.97	¥7.36	
Diluted	¥73.32	¥65.96	¥7.36	

## **Appendix**

### **Management Performance and Financial Conditions**

(1) Outline of Operations and Business Results .....	P.5
(2) Financial Conditions .....	P.10
(3) Projection for the Fiscal Year Ending March 31, 2023 .....	P.10
(4) Others.....	P.11

### **Consolidated Financial Statements**

(1) Consolidated Balance Sheets .....	P.12
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income.....	P.14
(3) Consolidated Statements of Cash Flows .....	P.18
(4) Note to the Going Concern Assumption .....	P.19
(5) Business Segment Information .....	P.19
(6) Note in Case of Notable Changes in the Amount of Shareholders' Equity .....	P.21

# Management Performance and Financial Conditions

## (1) Outline of Operations and Business Results

Komatsu Ltd. (“Company”) and its consolidated subsidiaries (together “Komatsu”) embarked on the three-year, mid-term management plan, “DANTOTSU Value – *Together, to ‘The Next’ for sustainable growth*”, in April 2022 to create new values for the next 100 years. Under this management plan for the target fiscal year ending March 31, 2025, Komatsu upholds three pillars of growth strategies of 1) Accelerate growth by means of innovation, 2) Maximize earnings power, and 3) Enhance corporate resilience. Komatsu will continue to emphasize the previous plan’s sustainability management. In that plan, we work for sustainable growth through a positive cycle for improvement of earnings and ESG resolutions, thereby working to build an operational structure that is resilient to changes in demand.

For the nine-month period (April 1- December 31, 2022) of the fiscal year ending March 31, 2023, the first year of the mid-term management plan, consolidated net sales totaled JPY 2,539.2 billion, up 26.0% from the corresponding period a year ago. In the construction, mining and utility equipment business, demand for mining equipment expanded, centering on North America and Asia. Komatsu steadily captured demand for new equipment by capitalizing particularly on cross-sourcing. Komatsu also advanced parts sales and service revenues. Reflecting improved selling prices in almost all regions of the world and the Japanese yen’s depreciation, sales increased from the corresponding period a year ago. In the industrial machinery and others business, sales of the Excimer laser-related business remained strong, supported by expanding demand for semiconductors worldwide. With respect to presses, sheet-metal machines, and machine tools for the automobile manufacturing industry, sales of large presses declined in particular. As a result, sales of this business decreased from the corresponding period a year ago.

With respect to profits for the nine-month period under review, operating income surged by 54.9% from the corresponding period a year ago, to JPY 346.6 billion, reflecting improved selling prices and the Japanese yen’s depreciation, which more than offset the adverse effects of increased prices of materials and logistics costs. The operating income ratio improved by 2.5 percentage points to 13.6%. Income before income taxes and equity in earnings of affiliated companies expanded by 51.5% to JPY 339.8 billion. Net income attributable to Komatsu Ltd. climbed to JPY 231.9 billion, up 49.1%.

Concerning one of the ESG management targets in its mid-term management plan, Komatsu was selected as a component of the Dow Jones Sustainability Indices World Index again. Komatsu was awarded with a position on the A List for climate change and water security by CDP, the non-profit global environmental disclosure platform.

[Consolidated Financial Highlights]

Millions of yen

	<b>Nine Months ended December 31, 2022</b> 1USD=JPY135.6 1EUR=JPY140.0 1AUD=JPY93.2	Nine Months ended December 31, 2021 1USD=JPY111.0 1EUR=JPY130.6 1AUD=JPY82.8	Changes  Increase (Decrease)
	[A]	[B]	[(A-B)/B]
Net sales	<b>2,539,232</b>	2,014,677	26.0%
Construction, Mining and Utility Equipment	<b>2,369,638</b>	1,845,520	28.4%
Retail Finance	<b>63,567</b>	54,582	16.5%
Industrial Machinery and Others	<b>126,857</b>	131,868	(3.8%)
Elimination	<b>(20,830)</b>	(17,293)	-
Segment profit	<b>346,168</b>	220,554	57.0%
Construction, Mining and Utility Equipment	<b>309,549</b>	191,886	61.3%
Retail Finance	<b>21,242</b>	13,284	59.9%
Industrial Machinery and Others	<b>15,644</b>	15,075	3.8%
Corporate & elimination	<b>(267)</b>	309	-
Operating income	<b>346,599</b>	223,763	54.9%
Income before income taxes and equity in earnings of affiliated companies	<b>339,807</b>	224,315	51.5%
Net income attributable to Komatsu Ltd.	<b>231,911</b>	155,502	49.1%

Note: Unless otherwise noted, all sales by segment in this report indicate the amounts before elimination of intersegment transactions.

Business results by operation are described below.

### **Construction, Mining and Utility Equipment**

For the nine-month period under review, sales of the construction, mining and utility equipment business advanced by 28.4% from the corresponding period a year ago, to JPY 2,369.6 billion. Segment profit surged by 61.3% to JPY 309.5 billion.

Concerning the "Accelerate growth by means of innovation" strategy, one of the growth strategies in the mid-term management plan, Komatsu steadily advanced the deployment of its Autonomous Haulage System (AHS), increasing the total number of AHS mining trucks in operation to 600 units as of December 31, 2022. Concerning its efforts to make mining equipment carbon neutral and develop power agnostic trucks, Komatsu has introduced hydrogen test facilities, such as fuel cell test benches, to the Oyama Plant in Japan. In North America, Komatsu has advanced the installation of field test facilities for battery trolley vehicles at its proving grounds. In an effort to establish a market for electric construction equipment as soon as possible, Komatsu has worked to start commercial production of 20-ton class electric hydraulic excavators. In December last year, Komatsu launched sales of FE25G-2 and FE30G-2 forklifts, its first commercially produced lithium-ion battery-powered models.

For the "Maximize earnings power" strategy, Komatsu has entered into an agreement to acquire GHH Group GmbH, a manufacturer of underground mining equipment headquartered in Germany. This move was made to strengthen its underground hard rock mining product line-up with load haul and articulated dump trucks, which are ideally suited for use in narrow vein and low-profile mine tunnels. As part of its efforts to strengthen business in Africa, Komatsu has entered a global framework agreement with a French resource company to support this client's maximization of mining safety and productivity in specified regions in Africa.

Regarding the "Enhance corporate resilience" strategy, Komatsu has worked to develop a supply chain which is resilient to changes in the external business environment. Komatsu has also advanced the use of its Chinese manufacturing subsidiaries, which it changed to wholly owned subsidiaries last year, as its global production bases of construction equipment, thereby strengthening its cross-sourcing capability.

[Sales to Outside Customers of Construction, Mining and Utility Equipment by Region]

Millions of yen

	Nine Months ended December 31, 2022	Nine Months ended December 31, 2021	Changes Increase (Decrease)	
			[A-B]	[(A-B)/B]
	[A]	[B]		
Japan	226,686	222,716	3,970	1.8%
North America	607,952	421,039	186,913	44.4%
Latin America	403,745	290,159	113,586	39.1%
Americas	1,011,697	711,198	300,499	42.3%
Europe	216,277	171,073	45,204	26.4%
CIS	94,939	139,886	(44,947)	(32.1%)
Europe & CIS	311,216	310,959	257	0.1%
China	62,591	71,192	(8,601)	(12.1%)
Asia*	333,966	195,509	138,457	70.8%
Oceania	227,993	196,604	31,389	16.0%
Asia* & Oceania	561,959	392,113	169,846	43.3%
Middle East	61,146	33,505	27,641	82.5%
Africa	127,894	98,985	28,909	29.2%
Middle East & Africa	189,040	132,490	56,550	42.7%
Total	2,363,189	1,840,668	522,521	28.4%

Note: \*Excluding Japan and China

Komatsu's operations by region are described below.

### Japan

For the nine-month period under review, while demand for new equipment decreased in public works and private-sector construction from the corresponding period a year ago, sales increased from the corresponding period a year ago, mainly supported by improved selling prices.

### Americas

In North America, demand for construction equipment remained strong in the rental industry and infrastructure development, and continued to grow in the energy-related sector. Demand for mining equipment also increased. Supported also by improved selling prices and the Japanese yen's depreciation, sales made a substantial gain from the corresponding period a year ago. In Latin America, demand for construction equipment began to slow down in the 3rd quarter, while demand for mining equipment remained flat from the corresponding period a year ago. Reflecting increased parts sales and service revenues, improved selling prices and the Japanese yen's depreciation, sales climbed from the corresponding period a year ago.

### Europe and CIS

In Europe, demand remained flat from the corresponding period a year ago, centering on the major markets of Germany, the United Kingdom, and France, while the markets experienced surging energy prices, logistic conditions began to improve. Sales increased from the corresponding period a year ago, mainly supported by improved selling prices. In CIS, sales dropped sharply from the corresponding period a year ago, as affected by the restrictions in the supply chain, as well as financial and economic conditions resulting from the situation in Ukraine.



## **China**

Demand remained slack, as affected especially by stagnant economic activities, as well as a shift in the measures against coronavirus (COVID-19). Sales dropped from the corresponding period a year ago.

## **Asia and Oceania**

In Asia, demand for mining equipment in coal mines was brisk in Indonesia, and that for construction equipment was also steady, centering on the Philippines, Malaysia, and Vietnam. As a result, sales climbed sharply from the corresponding period a year ago. In Oceania, demand for mining and construction equipment remained steady. Reflecting increased parts sales and service revenues and the Japanese yen's depreciation, sales advanced from the corresponding period a year ago.

## **Middle East and Africa**

In the Middle East, sales expanded sharply from the corresponding period a year ago. This was driven by brisk demand, which was for construction equipment in Saudi Arabia, the United Arab Emirates, and other oil-producing countries. In Africa, sales increased from the corresponding period a year ago, supported by steady demand for mining and construction equipment.

## **Retail Finance**

For the nine-month period under review, new contracts increased, reflecting the Japanese yen's depreciation and sales growth of construction and mining equipment. Although sales of some used equipment for which their lease agreement was cancelled were recorded in the corresponding period a year ago, revenues increased by 16.5% from the corresponding period a year ago, to JPY 63.6 billion.

Segment profit climbed by 59.9% to JPY 21.2 billion, mainly supported by the Japanese yen's depreciation and a reduced allowance for doubtful accounts.

## **Industrial Machinery and Others**

For the nine-month period under review, sales of the Excimer laser-related business remained strong, supported by expanding demand for semiconductors worldwide. With respect to presses, sheet-metal machines, and machine tools for the automobile manufacturing industry, sales of large presses declined in particular. As a result, sales declined by 3.8% from the corresponding period a year ago, to JPY 126.9 billion. Segment profit amounted to JPY 15.6 billion, up 3.8%.

During the period, Gigaphoton Inc. expanded training facilities for engineers and their service ability in an effort to further strengthen its field support operation for lithography light sources in some countries. Komatsu NTC Ltd. exhibited the "ComPlex" series 5-axis machining center for cutting-edge flexible machining and other advanced technologies at "JIMTOF2022," the 31st Japan International Machine Tool Fair in November last year.

## **(2) Financial Conditions**

As of December 31, 2022, total assets increased by JPY 436.1 billion from the previous fiscal year-end, to JPY 4,783.6 billion, as mainly affected by the Japanese yen's depreciation against the U.S. dollar from the previous fiscal year-end and an increase in inventories. Interest-bearing debt increased by JPY 215.9 billion from the previous fiscal year-end, to JPY 1,163.3 billion. Komatsu Ltd. shareholders' equity increased by JPY 175.1 billion from the previous fiscal year-end, to JPY 2,407.7 billion. As a result, Komatsu Ltd. shareholders' equity ratio decreased by 1.1 percentage points from the previous fiscal year-end, to 50.3%.

For the nine-month period under review, net cash provided in operating activities totaled JPY 83.1 billion, a decrease of JPY 101.8 billion from the corresponding period a year ago, mainly due to net income for the period, while inventories increased. Net cash used in investing activities amounted to JPY 130.9 billion, an increase of JPY 26.8 billion, mainly due to the purchase of fixed assets. Net cash provided by financing activities amounted to JPY 61.1 billion (as compared to JPY 56.6 billion used for the corresponding period a year ago), mainly due to the issuance of commercial papers. After adding the effects of foreign exchange fluctuations to the total amount of each cash flow, as of December 31, 2022, cash and cash equivalents totaled JPY 334.1 billion, an increase of JPY 18.8 billion from the previous fiscal year-end.

## **(3) Projection for the Fiscal Year Ending March 31, 2023**

(From April 1, 2022 to March 31, 2023)

Komatsu makes no change in the projection of October 31, 2022, concerning consolidated business results for the fiscal year ending March 31, 2023, which are shown on page 2 of this report.

#### **(4) Others**

- 1) Changes in important subsidiaries during the nine-month period under review: None
  - 2) Use of simplified accounting procedures and adoption of specific accounting procedures for the preparation of consolidated quarterly financial statements: None
  - 3) Changes in significant accounting rules, procedures and presentation and changes in significant accounting policies and estimates
    - a) Changes resulting from revisions in accounting standards, etc.: None
    - b) Changes in other matters except for a) above: None
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#### **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.

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## Consolidated Financial Statements

### (1) Consolidated Balance Sheets

#### Assets

Millions of yen

	As of December 31, 2022		As of March 31, 2022	
		Ratio (%)		Ratio (%)
<b>Current assets</b>				
Cash and cash equivalents	¥ 334,135		¥ 315,360	
Time deposits	2,014		1,310	
Trade notes and accounts receivable, net	969,749		954,580	
Inventories	1,244,033		988,011	
Other current assets	198,288		162,020	
<b>Total current assets</b>	<b>2,748,219</b>	<b>57.5</b>	<b>2,421,281</b>	<b>55.7</b>
<b>Long-term trade receivables, net</b>	<b>584,754</b>	<b>12.2</b>	<b>501,868</b>	<b>11.5</b>
<b>Investments</b>				
Investments in and advances to affiliated companies	48,841		45,913	
Investment securities	10,284		8,377	
Other	3,357		3,493	
<b>Total investments</b>	<b>62,482</b>	<b>1.3</b>	<b>57,783</b>	<b>1.3</b>
<b>Property, plant and equipment</b>	<b>830,822</b>	<b>17.4</b>	<b>819,749</b>	<b>18.9</b>
- less accumulated depreciation and amortization				
<b>Operating lease right-of-use assets</b>	<b>59,029</b>	<b>1.2</b>	<b>61,516</b>	<b>1.4</b>
<b>Goodwill</b>	<b>206,578</b>	<b>4.3</b>	<b>187,615</b>	<b>4.3</b>
<b>Other intangible assets</b>	<b>165,684</b>	<b>3.5</b>	<b>169,003</b>	<b>3.9</b>
- less accumulated amortization				
<b>Deferred income taxes and other assets</b>	<b>126,081</b>	<b>2.6</b>	<b>128,707</b>	<b>3.0</b>
<b>Total</b>	<b>¥ 4,783,649</b>	<b>100.0</b>	<b>¥ 4,347,522</b>	<b>100.0</b>

## Liabilities and Equity

Millions of yen

	As of December 31, 2022		As of March 31, 2022	
		Ratio (%)		Ratio (%)
<b>Current liabilities</b>				
Short-term debt	¥ 435,187		¥ 241,746	
Current maturities of long-term debt	180,243		276,623	
Trade notes, bills and accounts payable	338,080		338,974	
Income taxes payable	55,158		68,337	
Current operating lease liabilities	16,884		16,981	
Other current liabilities	417,945		381,360	
<b>Total current liabilities</b>	<b>1,443,497</b>	<b>30.2</b>	<b>1,324,021</b>	<b>30.5</b>
<b>Long-term liabilities</b>				
Long-term debt	547,891		429,011	
Liability for pension and retirement benefits	95,314		93,407	
Long-term operating lease liabilities	42,887		43,458	
Deferred income taxes and other liabilities	115,771		101,348	
<b>Total long-term liabilities</b>	<b>801,863</b>	<b>16.7</b>	<b>667,224</b>	<b>15.3</b>
<b>Total liabilities</b>	<b>2,245,360</b>	<b>46.9</b>	<b>1,991,245</b>	<b>45.8</b>
<b>Komatsu Ltd. shareholders' equity</b>				
Common stock	69,660		69,393	
Capital surplus	135,906		139,572	
Retained earnings:				
Appropriated for legal reserve	48,424		47,903	
Unappropriated	2,020,386		1,902,501	
Accumulated other comprehensive income (loss)	182,443		122,414	
Treasury stock	(49,167)		(49,272)	
<b>Total Komatsu Ltd. shareholders' equity</b>	<b>2,407,652</b>	<b>50.3</b>	<b>2,232,511</b>	<b>51.4</b>
<b>Noncontrolling interests</b>	<b>130,637</b>	<b>2.8</b>	<b>123,766</b>	<b>2.8</b>
<b>Total equity</b>	<b>2,538,289</b>	<b>53.1</b>	<b>2,356,277</b>	<b>54.2</b>
<b>Total</b>	<b>¥ 4,783,649</b>	<b>100.0</b>	<b>¥ 4,347,522</b>	<b>100.0</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Nine months ended December 31, 2022 and 2021

### Consolidated Statements of Income

Millions of yen except per share amounts

	Nine Months ended December 31, 2022		Nine Months ended December 31, 2021	
		Ratio (%)		Ratio (%)
Net sales	¥ 2,539,232	100.0	¥ 2,014,677	100.0
Cost of sales	1,791,611	70.6	1,455,007	72.2
Selling, general and administrative expenses	401,453	15.8	339,116	16.8
Other operating income, net	431	0.0	3,209	0.2
<b>Operating income</b>	<b>346,599</b>	<b>13.6</b>	<b>223,763</b>	<b>11.1</b>
<b>Other income (expenses), net</b>				
Interest and dividend income	8,243	0.3	3,416	0.2
Interest expense	(21,882)	(0.9)	(9,113)	(0.5)
Other, net	6,847	0.3	6,249	0.3
<b>Total other income (expenses), net</b>	<b>(6,792)</b>	<b>(0.3)</b>	<b>552</b>	<b>0.0</b>
<b>Income before income taxes and equity in earnings of affiliated companies</b>	<b>339,807</b>	<b>13.4</b>	<b>224,315</b>	<b>11.1</b>
<b>Income taxes</b>	<b>97,226</b>	<b>3.8</b>	<b>61,789</b>	<b>3.1</b>
<b>Income before equity in earnings of affiliated companies</b>	<b>242,581</b>	<b>9.6</b>	<b>162,526</b>	<b>8.1</b>
<b>Equity in earnings of affiliated companies</b>	<b>3,110</b>	<b>0.1</b>	<b>2,406</b>	<b>0.1</b>
<b>Net income</b>	<b>245,691</b>	<b>9.7</b>	<b>164,932</b>	<b>8.2</b>
<b>Less: Net income attributable to noncontrolling interests</b>	<b>13,780</b>	<b>0.5</b>	<b>9,430</b>	<b>0.5</b>
<b>Net income attributable to Komatsu Ltd.</b>	<b>¥ 231,911</b>	<b>9.1</b>	<b>¥ 155,502</b>	<b>7.7</b>
<b>Net income attributable to Komatsu Ltd. per share (Yen)</b>				
<b>Basic</b>	<b>¥ 245.30</b>		<b>¥ 164.53</b>	
<b>Diluted</b>	<b>¥ 245.26</b>		<b>¥ 164.49</b>	

## Consolidated Statements of Comprehensive Income

Millions of yen

	<b>Nine Months ended December 31, 2022</b>	Nine Months ended December 31, 2021
<b>Net income</b>	¥ <b>245,691</b>	¥ 164,932
<b>Other comprehensive income (loss), for the period, net of tax</b>		
Foreign currency translation adjustments	<b>54,880</b>	54,861
Pension liability adjustments	<b>436</b>	2,241
Net unrealized holding gains (losses) on derivative instruments	<b>4,747</b>	1,117
<b>Total other comprehensive income (loss), for the period, net of tax</b>	<b>60,063</b>	58,219
<b>Comprehensive income</b>	<b>305,754</b>	223,151
<b>Less: Comprehensive income attributable to noncontrolling interests</b>	<b>15,290</b>	12,038
<b>Comprehensive income attributable to Komatsu Ltd.</b>	¥ <b>290,464</b>	¥ 211,113

## Three months ended December 31, 2022 and 2021

### Consolidated Statements of Income

Millions of yen except per share amounts

	Three Months ended December 31, 2022		Three Months ended December 31, 2021	
		Ratio (%)		Ratio (%)
Net sales	¥ 920,497	100.0	¥ 723,277	100.0
Cost of sales	644,161	70.0	522,446	72.2
Selling, general and administrative expenses	142,919	15.5	115,097	15.9
Other operating income, net	1,548	0.2	1,745	0.2
<b>Operating income</b>	<b>134,965</b>	<b>14.7</b>	<b>87,479</b>	<b>12.1</b>
<b>Other income (expenses), net</b>				
Interest and dividend income	3,231	0.4	1,281	0.2
Interest expense	(10,990)	(1.2)	(3,364)	(0.5)
Other, net	(15,158)	(1.6)	2,410	0.3
<b>Total other income (expenses), net</b>	<b>(22,917)</b>	<b>(2.5)</b>	<b>327</b>	<b>0.0</b>
<b>Income before income taxes and equity in earnings of affiliated companies</b>	<b>112,048</b>	<b>12.2</b>	<b>87,806</b>	<b>12.1</b>
<b>Income taxes</b>	<b>38,359</b>	<b>4.2</b>	<b>23,092</b>	<b>3.2</b>
<b>Income before equity in earnings of affiliated companies</b>	<b>73,689</b>	<b>8.0</b>	<b>64,714</b>	<b>8.9</b>
<b>Equity in earnings of affiliated companies</b>	<b>1,038</b>	<b>0.1</b>	<b>921</b>	<b>0.1</b>
<b>Net income</b>	<b>74,727</b>	<b>8.1</b>	<b>65,635</b>	<b>9.1</b>
<b>Less: Net income attributable to noncontrolling interests</b>	<b>5,384</b>	<b>0.6</b>	<b>3,274</b>	<b>0.5</b>
<b>Net income attributable to Komatsu Ltd.</b>	<b>¥ 69,343</b>	<b>7.5</b>	<b>¥ 62,361</b>	<b>8.6</b>
<b>Net income attributable to Komatsu Ltd. per share (Yen)</b>				
<b>Basic</b>	<b>¥ 73.33</b>		<b>¥ 65.97</b>	
<b>Diluted</b>	<b>¥ 73.32</b>		<b>¥ 65.96</b>	



## Consolidated Statements of Comprehensive Income

Millions of yen

	<b>Three Months ended December 31, 2022</b>	Three Months ended December 31, 2021
<b>Net income</b>	¥ 74,727	¥ 65,635
<b>Other comprehensive income (loss), for the period, net of tax</b>		
Foreign currency translation adjustments	(193,103)	44,203
Pension liability adjustments	157	454
Net unrealized holding gains (losses) on derivative instruments	4,785	175
<b>Total other comprehensive income (loss), for the period, net of tax</b>	<b>(188,161)</b>	44,832
<b>Comprehensive income (loss)</b>	<b>(113,434)</b>	110,467
<b>Less: Comprehensive income (loss) attributable to noncontrolling interests</b>	<b>(4,489)</b>	6,579
<b>Comprehensive income (loss) attributable to Komatsu Ltd.</b>	¥ <b>(108,945)</b>	¥ 103,888

### (3) Consolidated Statements of Cash Flows

Millions of yen

	Nine Months ended December 31, 2022	Nine Months ended December 31, 2021
<b>Operating activities</b>		
Net income	¥ 245,691	¥ 164,932
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	111,578	99,054
Deferred income taxes	2,740	(5,450)
Impairment loss and net loss (gain) on valuation of investment securities	(100)	(245)
Net loss (gain) on sale of fixed assets	(433)	(2,942)
Loss on disposal of fixed assets	1,538	1,944
Pension and retirement benefits, net	(360)	(4,778)
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	(24,670)	(28,094)
Decrease (increase) in inventories	(243,783)	(84,392)
Increase (decrease) in trade payables	(5,967)	22,990
Increase (decrease) in income taxes payable	(13,045)	15,653
Other, net	9,883	6,194
Net cash provided by (used in) operating activities	83,072	184,866
<b>Investing activities</b>		
Capital expenditures	(134,912)	(123,821)
Proceeds from sale of fixed assets	13,885	21,754
Proceeds from sale of investment securities	287	242
Purchases of investment securities	(1,875)	(613)
Proceeds from sale of subsidiaries and businesses, net of cash disposed	12,295	55
Acquisition of subsidiaries and equity investees, net of cash acquired	(18,000)	-
Other, net	(2,587)	(1,722)
Net cash provided by (used in) investing activities	(130,907)	(104,105)
<b>Financing activities</b>		
Proceeds from debt issued (Original maturities greater than three months)	566,284	338,977
Payment on debt (Original maturities greater than three months)	(471,726)	(370,555)
Short-term debt, net (Original maturities three months or less)	90,332	22,669
Dividends paid	(113,505)	(72,815)
Proceeds from issuance of subsidiary's shares	2,012	30,440
Other, net	(12,311)	(5,301)
Net cash provided by (used in) financing activities	61,086	(56,585)
<b>Effect of exchange rate change on cash and cash equivalents</b>	5,524	5,056
<b>Net increase (decrease) in cash and cash equivalents</b>	18,775	29,232
<b>Cash and cash equivalents, beginning of year</b>	315,360	241,803
<b>Cash and cash equivalents, end of period</b>	¥ 334,135	¥ 271,035

#### (4) Note to the Going Concern Assumption

None

#### (5) Business Segment Information

##### 1) Information by Operating Segments

##### Nine Months ended December 31, 2022 and 2021

(For Nine Months ended December 31, 2022)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	2,363,189	50,583	125,460	2,539,232	-	2,539,232
Intersegment	6,449	12,984	1,397	20,830	(20,830)	-
Total	2,369,638	63,567	126,857	2,560,062	(20,830)	2,539,232
Segment profit	309,549	21,242	15,644	346,435	(267)	346,168

(For Nine Months ended December 31, 2021)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	1,840,668	43,565	130,444	2,014,677	-	2,014,677
Intersegment	4,852	11,017	1,424	17,293	(17,293)	-
Total	1,845,520	54,582	131,868	2,031,970	(17,293)	2,014,677
Segment profit	191,886	13,284	15,075	220,245	309	220,554

### Three Months ended December 31, 2022 and 2021

(For Three Months ended December 31, 2022)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	860,700	17,132	42,665	920,497	-	920,497
Intersegment	2,729	4,940	481	8,150	(8,150)	-
Total	863,429	22,072	43,146	928,647	(8,150)	920,497
Segment profit	122,028	6,390	4,664	133,082	335	133,417

(For Three Months ended December 31, 2021)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	659,035	14,659	49,583	723,277	-	723,277
Intersegment	1,122	2,944	590	4,656	(4,656)	-
Total	660,157	17,603	50,173	727,933	(4,656)	723,277
Segment profit	73,266	5,439	6,477	85,182	552	85,734

Notes: 1) Business categories and principal products & services included in each operating segment are as follows:

**a) Construction, Mining and Utility Equipment**

Excavating equipment, loading equipment, grading & roadbed preparation equipment, hauling equipment, forestry equipment, tunneling machines, underground mining equipment, recycling equipment, industrial vehicles, other equipment, engines & components, casting products, and logistics

**b) Retail Finance**

Financing

**c) Industrial Machinery and Others**

Metal forging & stamping presses, sheet-metal machines, machine tools, defense systems, temperature-control equipment, and optical machinery

2) Transfers between segments are made at estimated arm's-length prices.

## 2) Geographic Information

Net sales determined by customer location were as follows:

(For Nine Months ended December 31, 2022 and 2021)

Millions of yen

	Japan	Americas	Europe & CIS	China	Asia* & Oceania	Middle East & Africa	Total
<b>FY2022</b>	<b>286,724</b>	<b>1,066,574</b>	<b>327,260</b>	<b>75,385</b>	<b>593,466</b>	<b>189,823</b>	<b>2,539,232</b>
FY2021	278,868	757,368	324,316	98,791	422,231	133,103	2,014,677

Note: \* Excluding Japan and China

(For Three Months ended December 31, 2022 and 2021)

Millions of yen

	Japan	Americas	Europe & CIS	China	Asia* & Oceania	Middle East & Africa	Total
<b>FY2022</b>	<b>105,046</b>	<b>393,590</b>	<b>111,830</b>	<b>27,426</b>	<b>212,792</b>	<b>69,813</b>	<b>920,497</b>
FY2021	108,824	272,459	107,470	32,235	158,428	43,861	723,277

Note: \* Excluding Japan and China

### (6) Note in Case of Notable Changes in the Amount of Shareholders' Equity

None

(end)