



Business Results for Three and Six Months ended September 30, 2023

Komatsu Ltd. Participants

Hiroyuki Ogawa

**President and Representative Director
CEO**

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**Director
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**Executive Officer
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October 27, 2023

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I . Business Results for Three and Six Months ended September 30, 2023

Highlights for the Second 3-Month Period (Jul. - Sep., '23) of FY2023

- Consolidated net sales increased by 8.0% from the corresponding period a year ago, to JPY923.4 billion.
- Operating income advanced by 27.0% to JPY150.0 billion. Operating income ratio was 16.2%, up 2.4 points.
- Net income attributable to Komatsu Ltd. advanced by 21.9% to JPY100.1 billion.

Billions of yen	Jul. - Sep., 2022 (A) ¥136.1/USD ¥139.3/EUR ¥93.9/AUD	Jul. - Sep., 2023 (B) ¥144.2/USD ¥157.3/EUR ¥95.4/AUD	Changes (B-A)	
			Increase (Decrease)	Change %
Net sales	854.9	923.4	+68.5	+8.0%
Segment profit	118.4	151.1	+32.8	+27.7%
Other operating income (Expenses)	(0.3)	(1.2)	(0.9)	-
Operating income	118.1	150.0	+31.9	+27.0%
Income ratio	13.8%	16.2%	+2.4pts.	-
Other income (Expenses)	(2.8)	(10.1)	(7.3)	-
Income before income taxes	115.3	139.9	+24.6	+21.3%
Net income attributable to Komatsu Ltd.	82.1	100.1	+18.0	+21.9%

Segment Sales and Profits for the Second 3-Month Period (Jul. - Sep., '23) of FY2023

- **Construction, Mining & Utility Equipment:** Sales increased by 8.8% from the corresponding period a year ago, to JPY860.7 billion. Segment profit expanded by 36.6% to JPY142.4 billion. Segment profit ratio improved to 16.5%, up 3.3 points.
- **Retail Finance:** Revenues increased by 14.2% from the corresponding period a year ago, to JPY24.6 billion. Segment profit decreased by 7.0% to JPY6.6 billion.
- **Industrial Machinery & Others:** Sales decreased by 9.3% from the corresponding period a year ago, to JPY44.6 billion. Segment profit dropped by 66.6% to JPY2.5 billion.

Billions of yen	Jul. - Sep., 2022 (A)	Jul. - Sep., 2023 (B)	Changes (B-A)	
			Increase (Decrease)	Change %
Net sales	854.9	923.4	+68.5	+8.0%
Construction, mining & utility equipment	790.9 [788.9]	860.7 [860.6]	+69.8 [+71.7]	+8.8% [+9.1%]
Retail finance	21.6 [17.2]	24.6 [19.2]	+3.1 [+2.0]	+14.2% [+11.4%]
Industrial machinery & others	49.2 [48.9]	44.6 [43.7]	(4.6) [(5.1)]	(9.3)% [(10.5)%]
Elimination	(6.7)	(6.5)	+0.2	-
Segment profit	13.8% 118.4	16.4% 151.1	+2.6 pts. +32.8	+27.7%
Construction, mining & utility equipment	13.2% 104.2	16.5% 142.4	+3.3 pts. +38.2	+36.6%
Retail finance	33.1% 7.1	27.0% 6.6	(6.1) pts. (0.5)	(7.0)%
Industrial machinery & others	15.2% 7.5	5.6% 2.5	(9.6) pts. (5.0)	(66.6)%
Corporate & elimination	(0.4)	(0.4)	+0.0	-

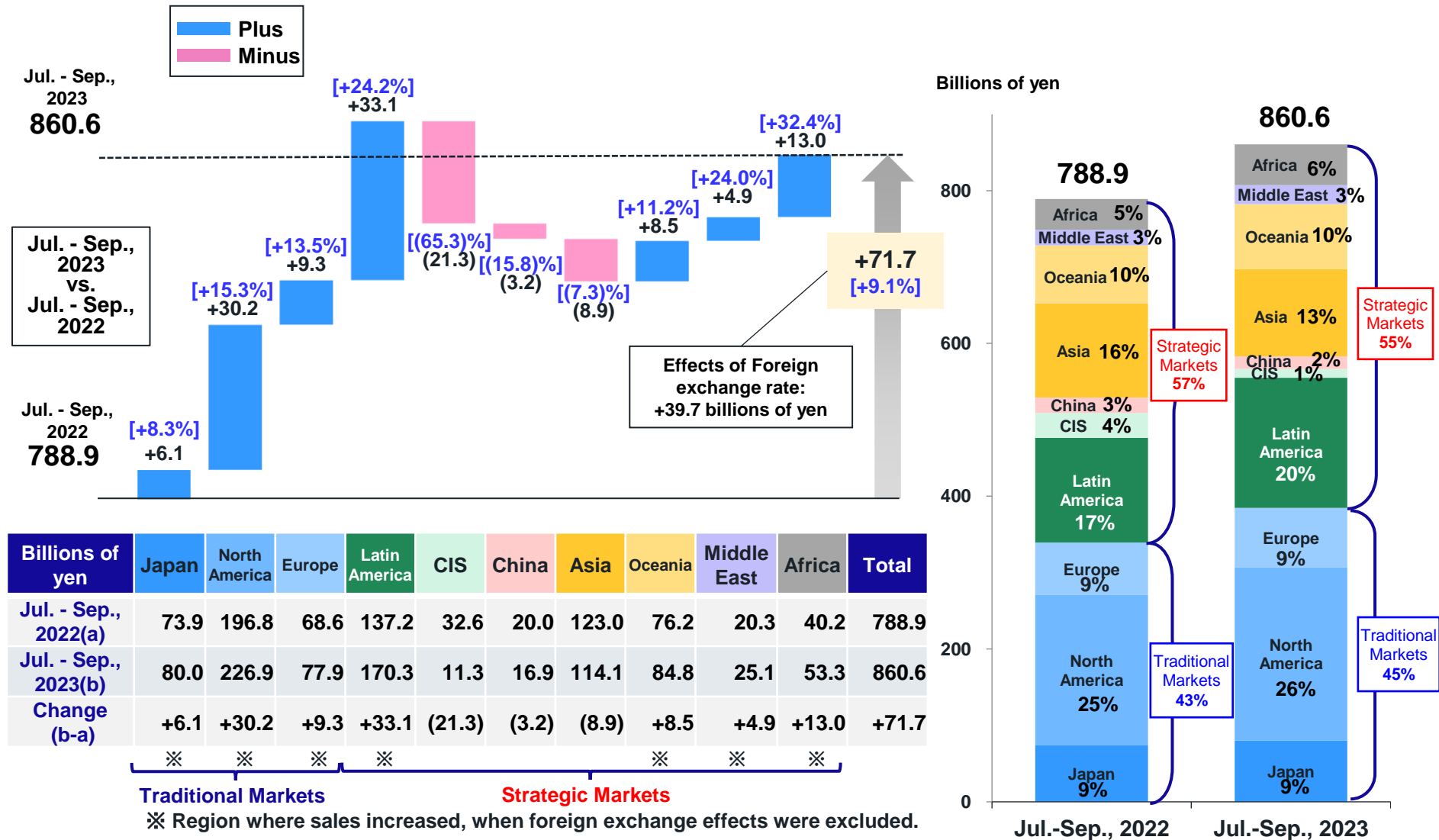
Review of three business segments:

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

- **Construction, Mining & Utility Equipment:** Both sales and profit advanced, mainly supported by improved selling prices and the positive effects of foreign exchange rates.
- **Retail Finance:** Revenues increased, due to growing interest rates and the positive effects of foreign exchange rates. Segment profit decreased mainly due to a decrease of gains from resale of used equipment after completion of leasing.
- **Industrial Machinery & Others:** Both sales and profit decreased, as affected by declined demand for semiconductors for the semiconductor manufacturing industry around the world.

Construction, Mining & Utility Equipment : Sales by Region (To Outside Customers) for the Second 3-Month Period (Jul. - Sep., '23) of FY2023

- Sales to outside customers increased by 9.1% from the corresponding period a year ago, to JPY860.6 billion.
- When Asia, China and CIS are excluded, sales expanded in all regions, including North America and Latin America.
- The ratio of sales in Traditional Markets was 45% of total sales, while that in Strategic Markets was 55%.



Highlights for the First 6-Month Period (Apr. - Sep., '23) of FY2023

- Consolidated net sales increased by 12.6% from the corresponding period a year ago, to JPY1,823.0 billion.
- Operating income expanded by 40.3% to JPY297.0 billion. Operating income ratio was 16.3%, up 3.2 points.
- Net income attributable to Komatsu Ltd. advanced by 26.4% to JPY205.5 billion.

Billions of yen	Apr. - Sep., 2022 (A) ¥131.6/USD ¥138.1/EUR ¥92.9/AUD	Apr. - Sep., 2023 (B) ¥140.3/USD ¥152.5/EUR ¥92.6/AUD	Changes (B-A)	
			Increase (Decrease)	Change %
Net sales	1,618.7	1,823.0	+204.3	+12.6%
Segment profit	212.8	297.9	+85.2	+40.0%
Other operating income (Expenses)	(1.1)	(1.0)	+0.2	-
Operating income	211.6	297.0	+85.3	+40.3%
Income ratio	13.1%	16.3%	+3.2pts.	-
Other income (Expenses)	16.1	(9.0)	(25.1)	-
Income before income taxes	227.8	288.0	+60.3	+26.5%
Net income attributable to Komatsu Ltd.	162.6	205.5	+43.0	+26.4%
Cash dividends per share	64Yen	72Yen	+8Yen	

Segment Sales and Profits for the First 6-Month Period (Apr. - Sep., '23) of FY2023

- **Construction, Mining & Utility Equipment:** Sales increased by 13.4% from the corresponding period a year ago, to JPY1,707.6 billion. Segment profit expanded by 49.7% to JPY280.8 billion. Segment profit ratio improved to 16.4%, up 4.0 points.
- **Retail Finance:** Revenues increased by 14.5% from the corresponding period a year ago, to JPY47.5 billion. Segment profit decreased by 12.5% to JPY13.0 billion.
- **Industrial Machinery & Others:** Sales increased by 1.6% from the corresponding period a year ago, to JPY85.0 billion. Segment profit dropped by 59.8% to JPY4.4 billion.

Billions of yen	Apr. - Sep., 2022 (A)	Apr. - Sep., 2023 (B)	Changes (B-A)	
			Increase (Decrease)	Change %
Net sales	1,618.7	1,823.0	+204.3	+12.6%
Construction, mining & utility equipment	1,506.2 [1,502.5]	1,707.6 [1,702.8]	+201.4 [+200.3]	+13.4% [+13.3%]
Retail finance	41.5 [33.5]	47.5 [36.9]	+6.0 [+3.4]	+14.5% [+10.2%]
Industrial machinery & others	83.7 [82.8]	85.0 [83.3]	+1.3 [+0.5]	+1.6% [+0.6%]
Elimination	(12.7)	(17.1)	(4.5)	-
Segment profit	13.1% 212.8	16.3% 297.9	+3.2 pts. +85.2	+40.0%
Construction, mining & utility equipment	12.4% 187.5	16.4% 280.8	+4.0 pts. +93.3	+49.7%
Retail finance	35.8% 14.9	27.3% 13.0	(8.5 pts.) (1.9)	(12.5)%
Industrial machinery & others	13.1% 11.0	5.2% 4.4	(7.9 pts.) (6.6)	(59.8)%
Corporate & elimination	(0.6)	(0.2)	+0.4	-

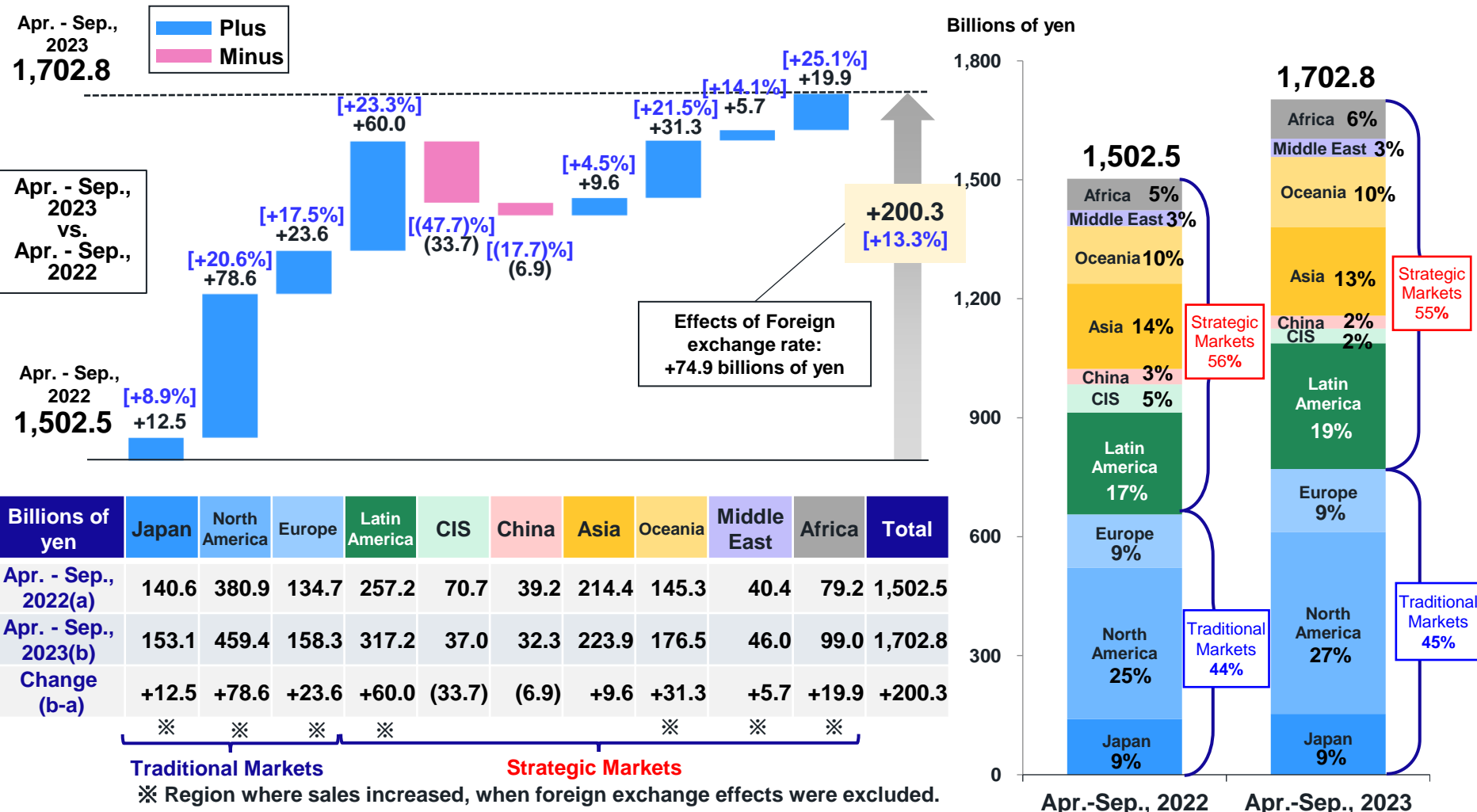
Review of three business segments:

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

- **Construction, Mining & Utility Equipment:** Both sales and profit increased, mainly supported by increased volume of sales, and the positive effects of foreign exchange rates and improved selling prices.
- **Retail Finance:** Revenues increased, as affected the positive effects of growing interest rates and foreign exchange rates. Segment profit decreased, mainly due to the absence of a gain on reversal of allowance for doubtful accounts recorded in North America for the corresponding period a year ago.
- **Industrial Machinery & Others:** Concerning presses and machine tools for the automobile manufacturing industry, sales increased, mainly due to increased sales of large presses. With respect to the business with the semiconductor manufacturing industry, segment profit decreased, due to a decline in maintenance revenues, which have high profit margins, against the background of declining demand for semiconductors around the world.

Construction, Mining & Utility Equipment : Sales by Region (To Outside Customers) for the First 6-Month Period (Apr. - Sep., '23) of FY2023

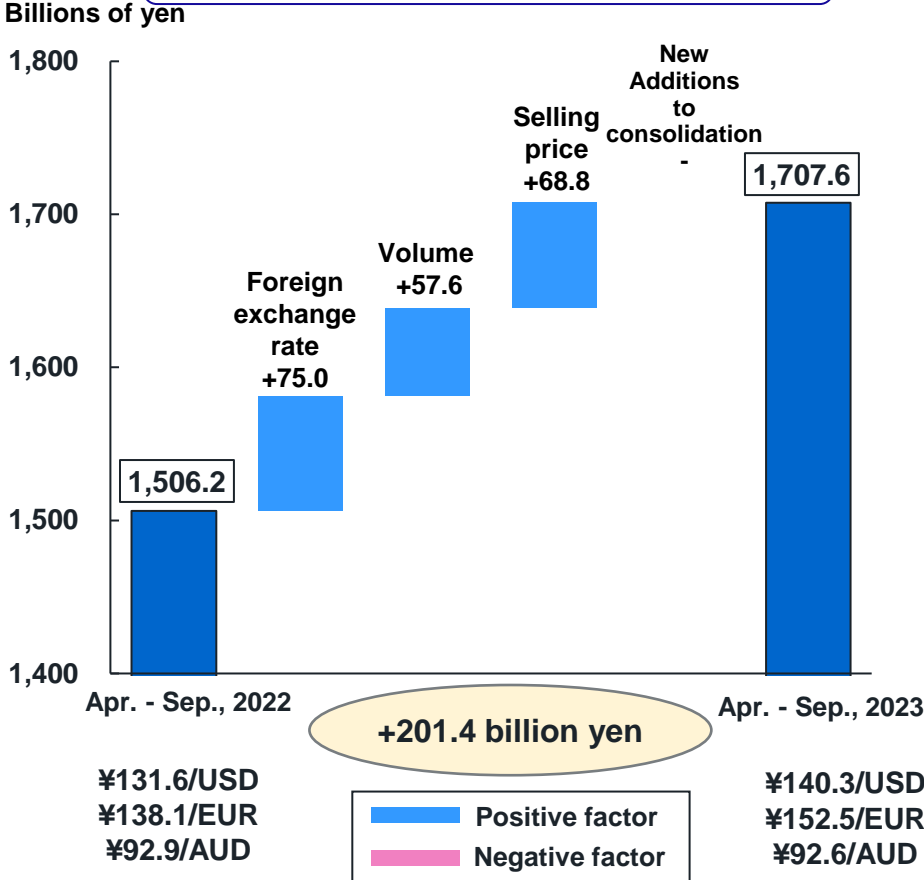
- Sales to outside customers increased by 13.3% from the corresponding period a year ago, to JPY1,702.8 billion.
- When CIS and China are excluded, sales expanded in all regions, including North America and Latin America.
- The ratio of sales in Traditional Markets was 45% of total sales, while that in Strategic Markets was 55%.



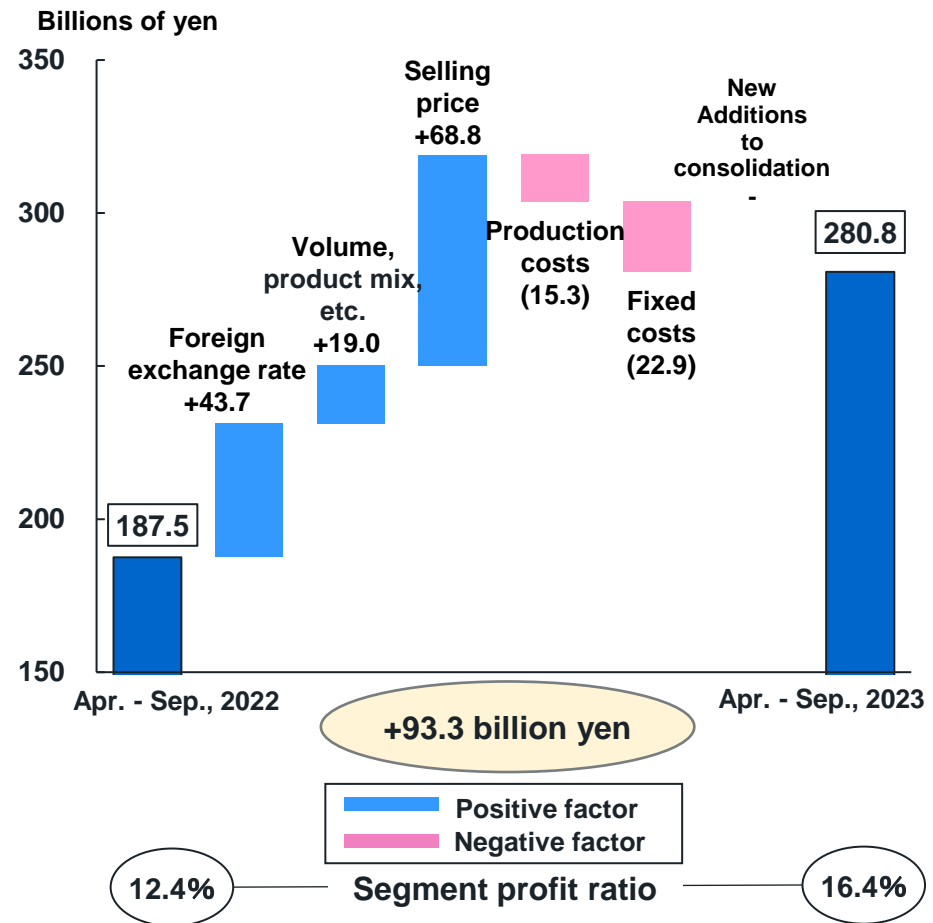
Construction, Mining & Utility Equipment : Causes of Difference in Sales and Segment Profit for the First 6-Month Period (Apr. - Sep., '23) of FY2023

- Sales increased by JPY201.4 billion from the corresponding period a year ago, mainly supported by the positive effects of foreign exchange rates and improved selling prices.
- Segment profit increased by JPY93.3 billion from the corresponding period a year ago, supported by the positive effects of foreign exchange rates and improved selling prices, which more-than-offset increased production and fixed costs.
- Segment profit ratio was 16.4%, up 4.0 points from the corresponding period a year ago.

Sales
Apr. - Sep., 2022 vs. Apr. - Sep., 2023

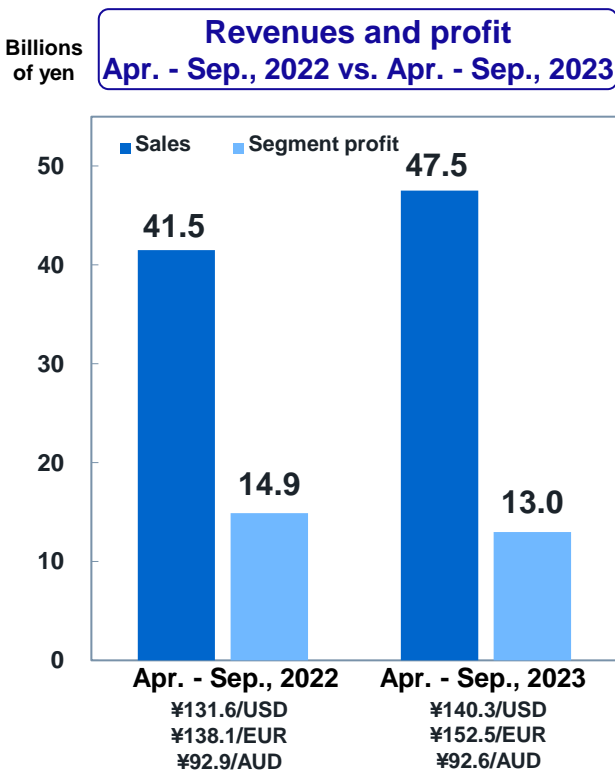
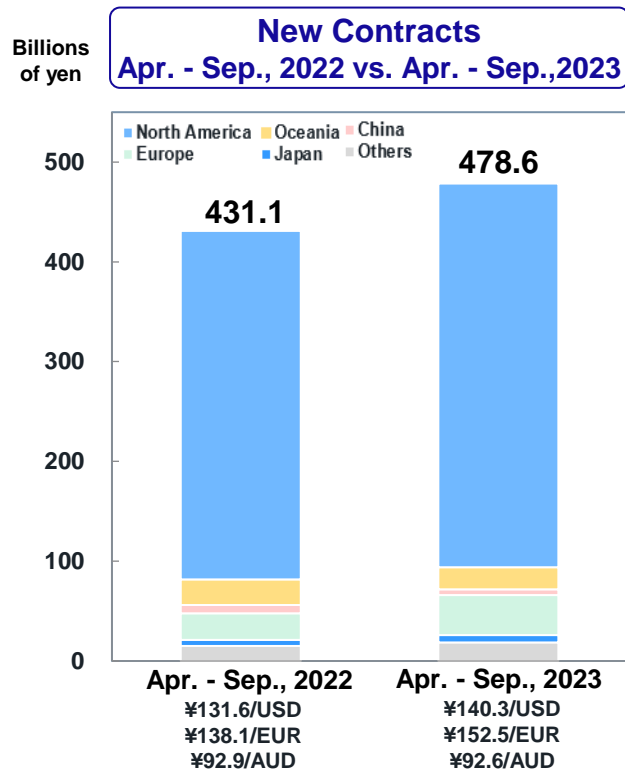
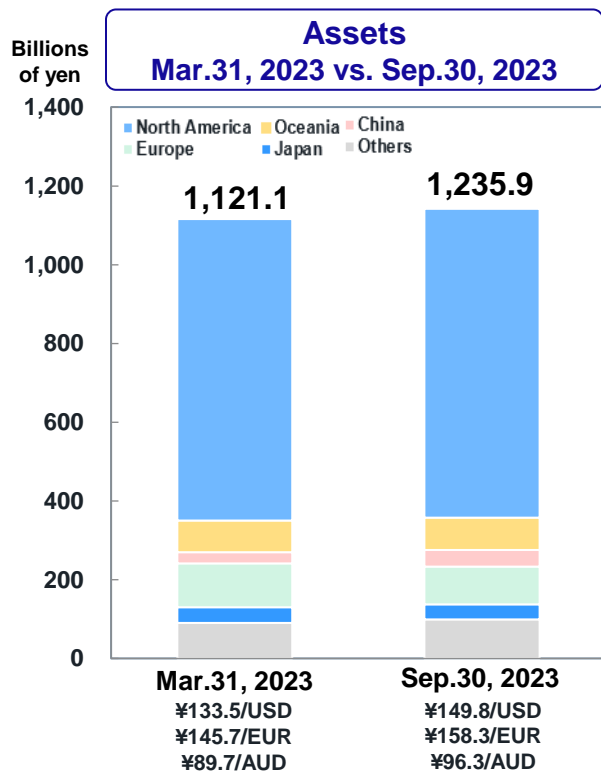


Segment profit
Apr. - Sep., 2022 vs. Apr. - Sep., 2023



Retail Finance: Assets, New Contracts and Revenues for the First 6-Month Period (Apr. - Sep., '23) of FY2023

- Assets increased by JPY114.8 billion from the previous fiscal year-end, as mainly affected by foreign exchange rates.
- New contracts increased by JPY47.5 billion from the corresponding period a year ago, reflecting foreign exchange rates and increased sales in the construction equipment.
- Revenues increased by JPY6.0 billion, due to the positive effects of interest rate hikes and foreign exchange rates.
- Segment profit decreased by JPY1.9 billion from the corresponding period a year ago, mainly due to the absence of a gain on reversal of allowance for doubtful accounts recorded in North America for the corresponding period a year ago.

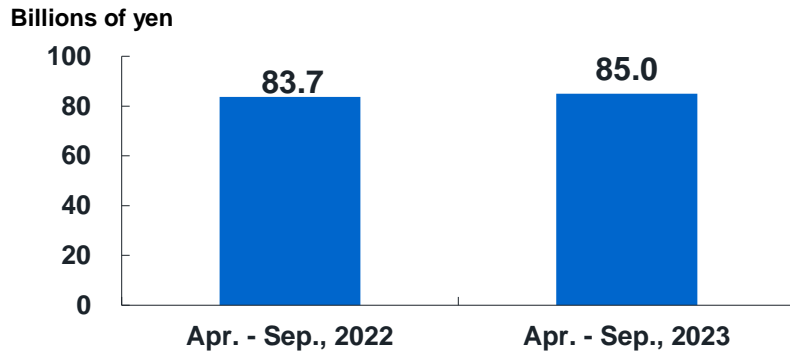


Billions of yen	2023/3E	2023/9E	Changes
Interest-bearing debt	856.9	946.1	+89.2
Interest-bearing debt, net	845.3	927.7	+82.4
Net D/E ratio	3.77	3.76	(0.01)pt.

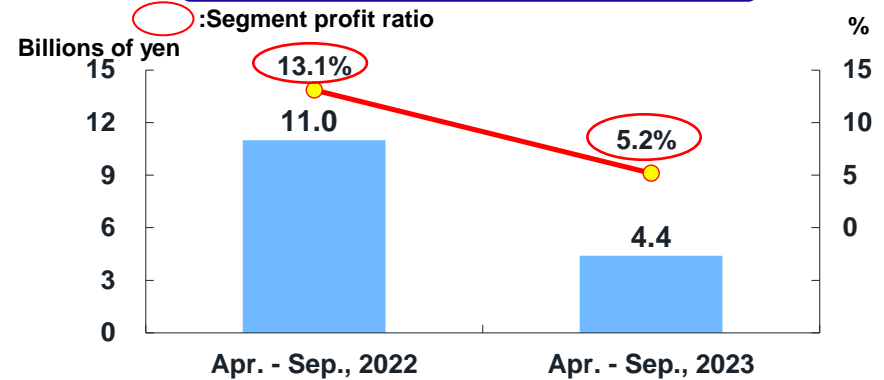
Industrial Machinery & Others: Sales and Segment Profit for the First 6-Month Period (Apr. - Sep., '23) of FY2023

- Sales increased by 1.6% from the corresponding period a year ago, to JPY85.0 billion. Segment profit declined by 59.8% to JPY4.4 billion.
- Presses and machine tools for the automobile manufacturing industry: Sales increased, mainly due to increased sales of large presses.
- Products for the semiconductor manufacturing industry: Profit decreased, due to a decline in maintenance revenues, which have high profit margins, against the background of declining demand for semiconductors around the world.
- Segment profit ratio was 5.2%.

Sales
Apr. - Sep., 2022 vs Apr. - Sep., 2023



Segment profit
Apr. - Sep., 2022 vs Apr. - Sep., 2023



Breakdown of sales

Billions of yen	Apr. - Sep., 2022	Apr. - Sep., 2023	Changes	
			Increase (Decrease)	Change %
Komatsu Industries Corp.	17.8	20.3	+2.5	+14.1%
Komatsu NTC Ltd.	16.0	14.9	(1.1)	(6.6)%
Gigaphoton Inc.	28.8	26.7	(2.0)	(7.1)%
Others	21.2	23.1	+1.9	+9.1%
Total	83.7	85.0	+1.3	+1.6%

Consolidated Balance Sheets

- Total assets increased by JPY528.2 billion from the previous fiscal year-end, to JPY5,404.1 billion, as affected by foreign exchange rates and working capital.
- Inventories increased, due mainly to the Japanese yen's depreciation and increased demand for mining equipment and parts.
- Komatsu Ltd. shareholders' equity ratio increased by 0.9 points to 53.0%.

Billions of yen ○ : Net D/E ratio	Mar. 31, 2023 ¥133.5/USD ¥145.7/EUR ¥89.7/AUD	Sep. 30, 2023 ¥149.8/USD ¥158.3/EUR ¥96.3/AUD	Increase (Decrease)
Cash & deposits (incl. time deposits) [a]	290.0	317.3	+27.3
Accounts receivable (incl. long-term trade receivables)	1,681.6	1,777.6	+96.0
Inventories	1,227.2	1,491.5	+264.3
Tangible fixed assets	836.4	881.1	+44.6
Other assets	840.6	936.6	+95.9
Total assets	4,875.8	5,404.1	+528.2
Accounts payable	362.4	348.7	(13.7)
Interest-bearing debt [b]	1,053.8	1,152.5	+98.8
Other liabilities	781.8	886.1	+104.3
Total liabilities	2,197.9	2,387.3	+189.4
[Shareholders' equity ratio]	[52.1%]	[53.0%]	[+0.9pts.]
Komatsu Ltd. shareholders' equity	2,539.6	2,865.3	+325.6
Non-controlling interests	138.3	151.6	+13.2
Liabilities & Equity	4,875.8	5,404.1	+528.2
▶ Interest-bearing debt, net [b-a]	○ 0.30 763.8	○ 0.29 835.3	+71.5
Net D/E ratio (excl. the retail finance business)	○ (0.04)	○ (0.04)	

Ⅱ . Projection of FY2023 Business Results

Outline of Projection for FY2023

- Consolidated net sales will increase by 3.3% from FY2022, to JPY3,660.0 billion (Up JPY278.0 billion from the projection of April this year).
- Operating income will increase by 11.7% to JPY548.0 billion (Up JPY57.0 billion from the projection of April this year).
- We plan annual cash dividends per share of JPY144 (Up JPY5 from the projection of April this year).

Reassessed preconditions of foreign exchange rates in the second half period: USD1=JPY135, EUR1=JPY148, and AUD1=JPY88

Billions of yen	FY2022 Results (A) ¥134.8/USD ¥140.3/EUR ¥92.5/AUD	FY2023 Projection (B) (Current) ¥137.7/USD ¥150.3/EUR ¥90.3/AUD	FY2023 Projection (April) ¥125.0/USD ¥133.0/EUR ¥83.0/AUD	Changes (B-A)	
				Increase (Decrease)	Change %
Net sales	3,543.5	3,660.0	3,382.0	+116.5	+3.3%
Segment profit	493.5	557.0	498.0	+63.5	+12.9%
Other operating income (Expenses)	(2.8)	(9.0)	(7.0)	(6.2)	-
Operating income	490.7	548.0	491.0	+57.3	+11.7%
Profit ratio	13.8%	15.0%	14.5%	+1.2pts.	-
Other income (Expenses)	(14.3)	(39.0)	(49.0)	(24.7)	-
Income before income taxes	476.4	509.0	442.0	+32.6	+6.8%
Net income attributable to Komatsu Ltd.	326.4	340.0	299.0	+13.6	+4.2%
ROE	13.7%	13.0%	11.7%	(0.7)pts.	
Cash dividends per share	139Yen	144Yen	139Yen	+5Yen	
Consolidated payout ratio	40.3%	40.1%	44.0%		

Projection of Segment Sales and Profit for FY2023

- **Construction, Mining & Utility Equipment:** Sales will increase by 3.3% from FY2022, to JPY3,404.0 billion. Segment profit will increase by 17.9% to JPY523.0 billion. Segment profit ratio will improve to 15.4%, up 1.9 points.
- **Retail Finance:** Revenues will increase by 10.9% from FY2022, to JPY 95.0 billion. Segment profit will decrease by 23.0% to JPY21.0 billion.
- **Industrial Machinery & Others:** Sales will increase by 5.3% from FY2022, to JPY201.0 billion. Segment profit will decrease by 24.7% to JPY17.0 billion.

Billions of yen	FY2022 Results (A)	FY2023 Projection (B)(Current)	FY2023 Projection (April)	Changes (B-A)	
				Increase (Decrease)	Change %
Net sales	3,543.5	3,660.0	3,382.0	+116.5	+3.3%
Construction, mining & utility equipment	3,296.6 [3,286.7]	3,404.0 [3,386.1]	3,138.0 [3,116.8]	+107.4 [+99.4]	+3.3% [+3.0%]
Retail finance	85.6 [67.8]	95.0 [73.8]	83.5 [64.5]	+9.4 [+6.0]	+10.9% [+8.9%]
Industrial machinery & others	190.9 [188.9]	201.0 [200.1]	201.0 [200.7]	+10.1 [+11.1]	+5.3% [+5.9%]
Elimination	(29.7)	(40.0)	(40.5)	(10.3)	-
Segment profit	13.9% 493.5	15.2% 557.0	14.7% 498.0	+1.3 pts. +63.5	+12.9%
Construction, mining & utility equipment	13.5% 443.6	15.4% 523.0	14.8% 463.0	+1.9 pts. +79.4	+17.9%
Retail finance	31.8% 27.3	22.1% 21.0	20.4% 17.0	(9.7)pts. (6.3)	(23.0)%
Industrial machinery & others	11.8% 22.6	8.5% 17.0	11.4% 23.0	(3.3)pts. (5.6)	(24.7)%
Corporate & elimination	0.1	(4.0)	(5.0)	(4.1)	-

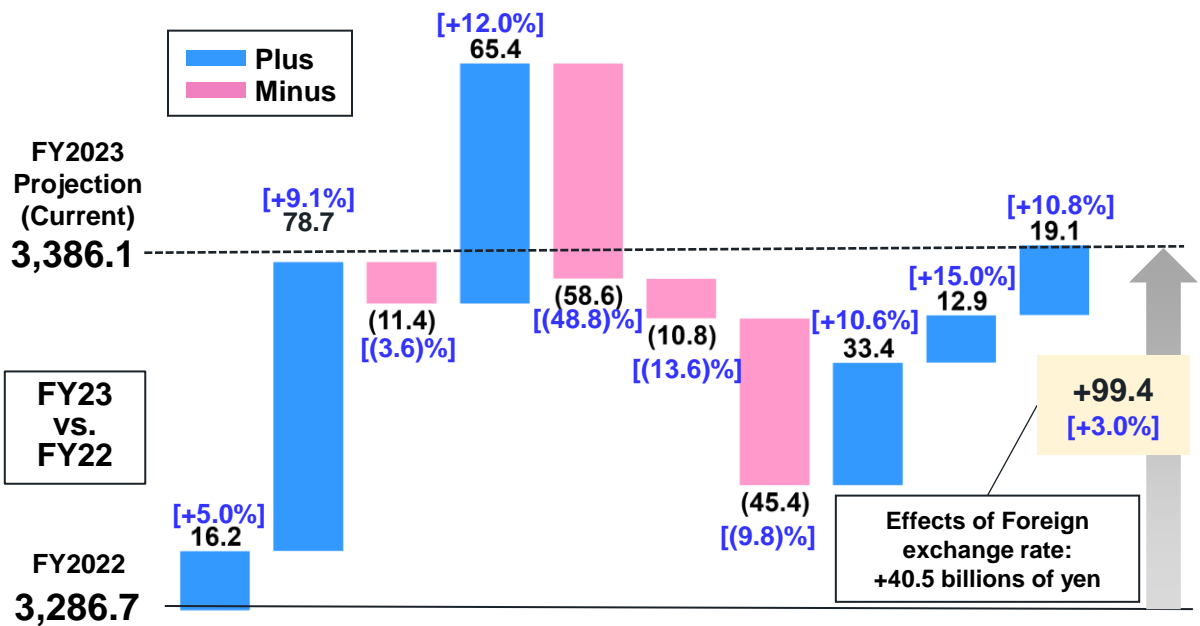
Review of three business segments:

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

- **Construction, Mining & Utility Equipment:** Both sales and profit will increase, mainly supported the positive effects of foreign exchange rates and improved selling prices.
- **Retail Finance:** Revenues will increase, supported by an increase of new contracts and the positive effects of foreign exchange rates. Segment profit will decrease, mainly due to the absence of a gain on reversal of allowance for doubtful accounts recorded for FY2022.
- **Industrial Machinery & Others:** Concerning the business with presses and machine tools for the automobile industry, sales will increase, due to an increase in sales of large presses. Concerning the business with the semiconductor industry, profit will decrease, due to a decline in maintenance revenues, which have high profit margins, against the background of declining demand for semiconductors around the world.

Construction, Mining & Utility Equipment : Projection of FY2023 Sales by Region (To Outside Customers)

- Sales to outside customers will increase by 3.0% from FY2022, to JPY3,386.1 billion.
- Sales will expand sharply, especially in North America and Latin America. Sales will drop sharply in CIS and Asia.
- Sales in Traditional Markets will account for 47% of total sales, and those in Strategic Markets, 53%.

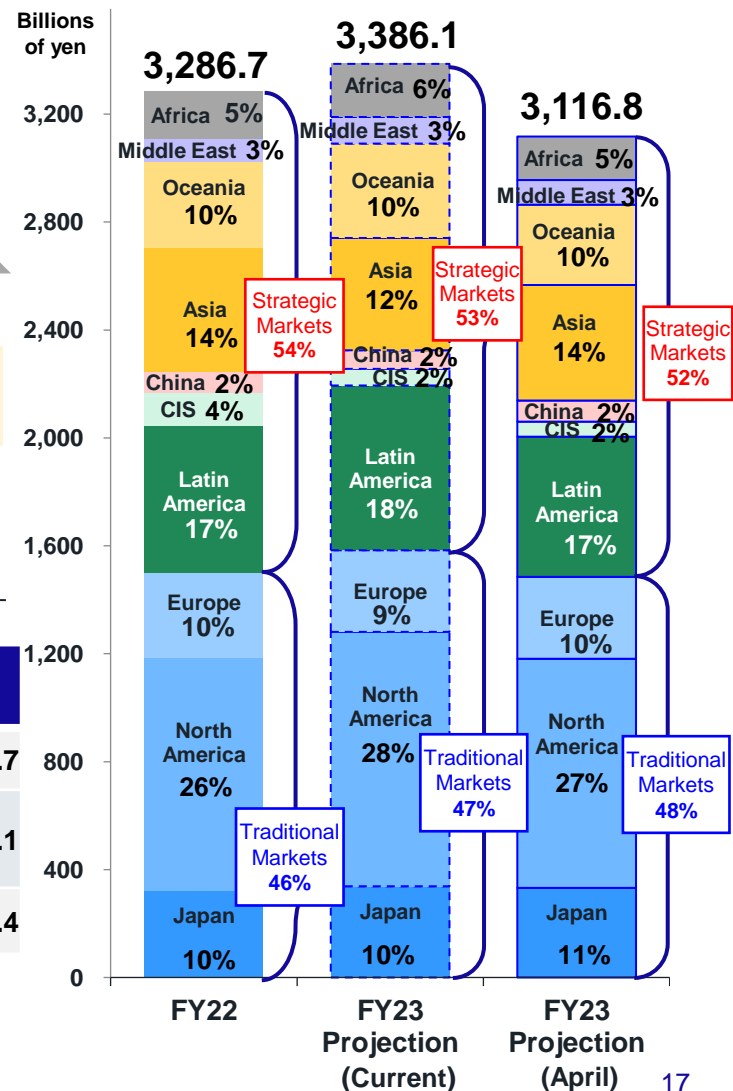


Billions of yen	Japan	North America	Europe	Latin America	CIS	China	Asia	Oceania	Middle East	Africa	Total
FY2022(a)	321.7	864.9	314.0	545.1	120.2	79.7	461.6	316.2	86.3	177.0	3,286.7
FY2023(b) Projection (Current)	337.9	943.6	302.7	610.4	61.6	68.9	416.2	349.5	99.2	196.1	3,386.1
Change (b-a)	+16.2	+78.7	(11.4)	+65.4	(58.6)	(10.8)	(45.4)	+33.4	+12.9	+19.1	+99.4

Traditional Markets

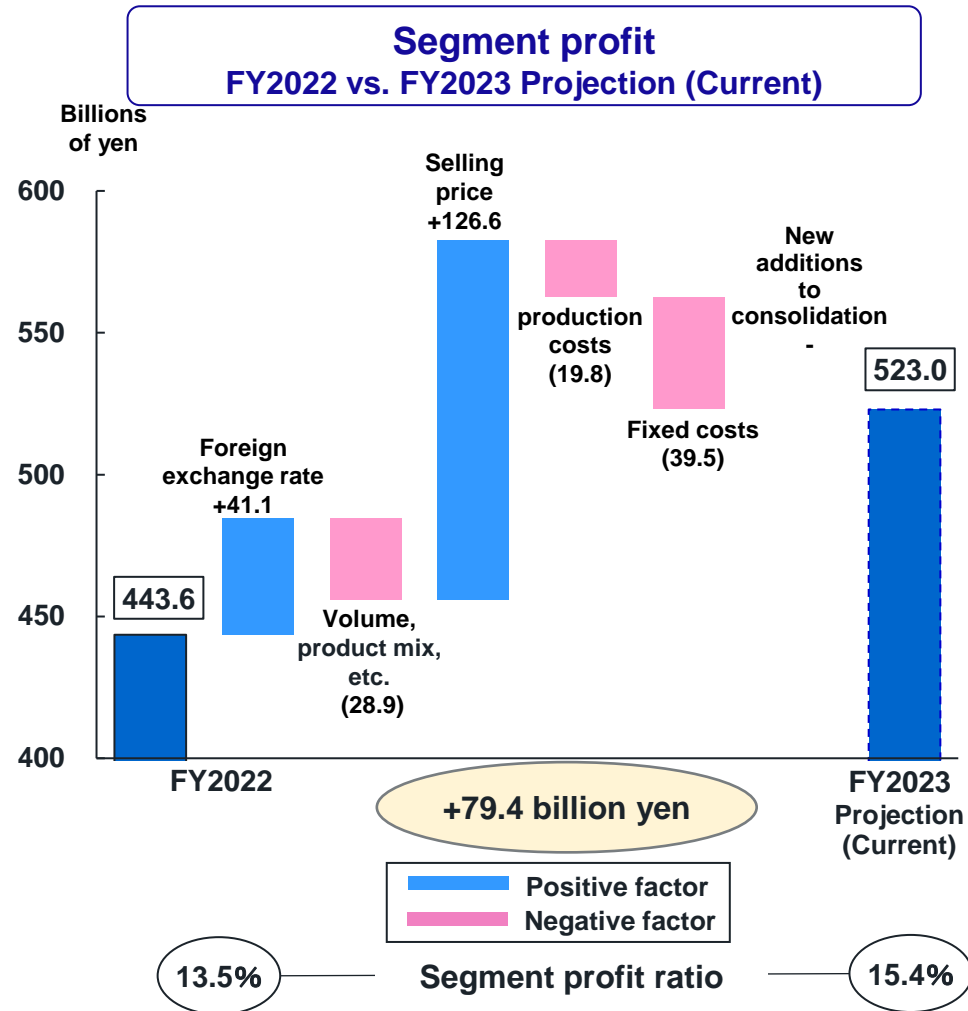
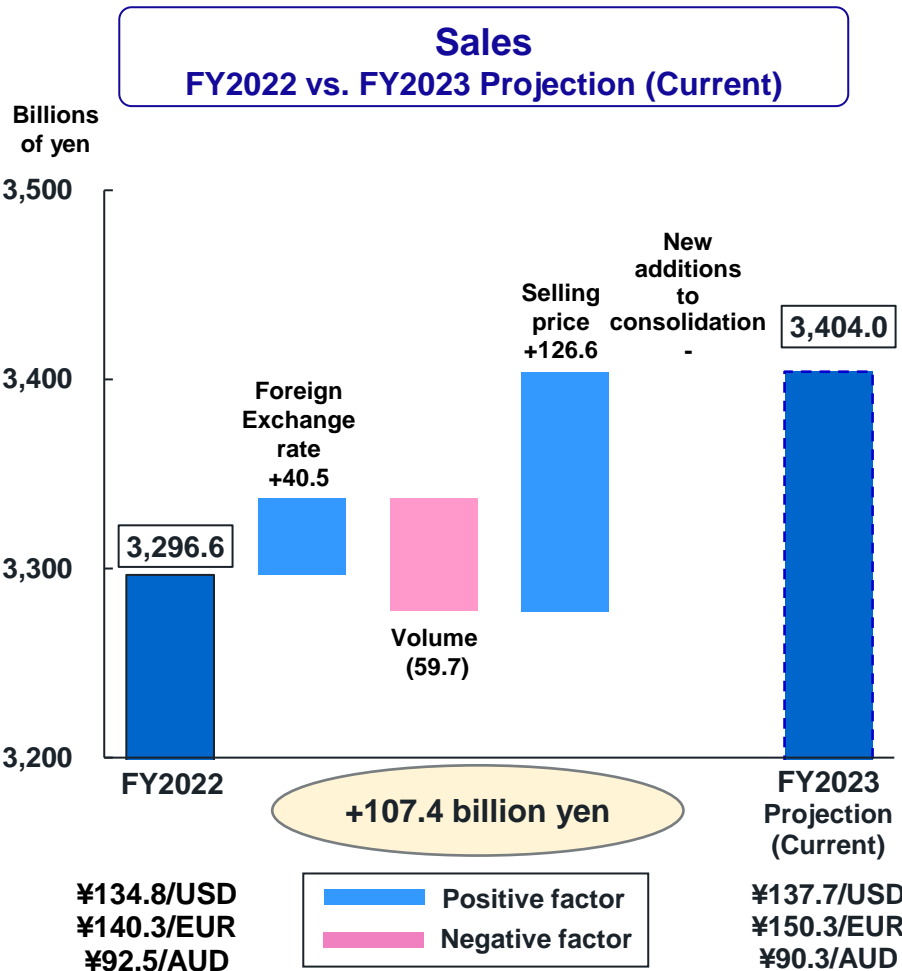
Strategic Markets

※ Region where sales will increase, when foreign exchange effects are excluded.



Construction, Mining & Utility Equipment: Causes of Difference in Projected Sales & Segment Profit for FY2023

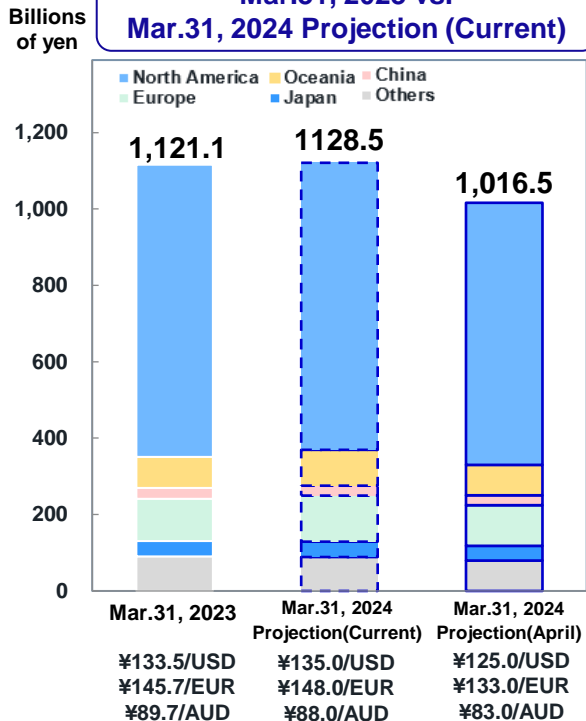
- Sales will increase by JPY107.4 billion from FY2022, supported by the positive effects of foreign exchange rates and improved selling prices.
- Segment profit will increase by JPY79.4 billion from FY2022, mainly due to the positive effects of foreign exchange rates and improved selling prices, which will more-than-offset increased production and fixed costs.
- Segment profit ratio will improve to 15.4%, up 1.9 points from FY2022.



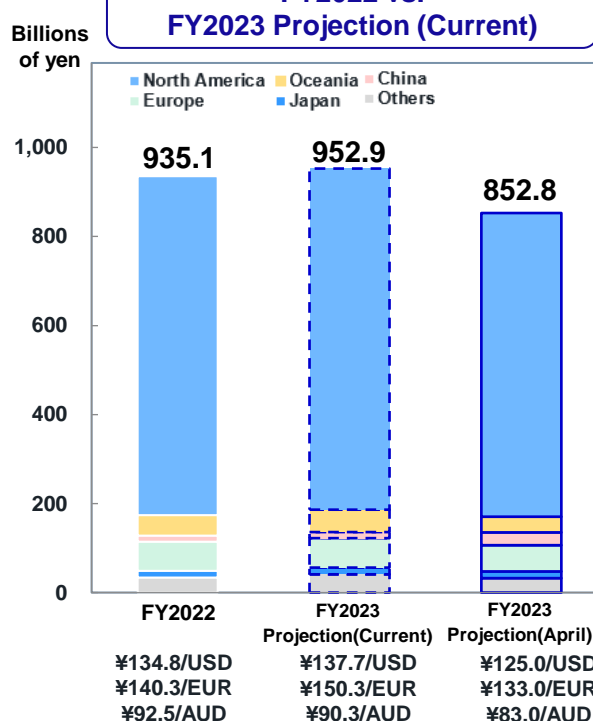
Retail Finance : Projection for FY2023

- Assets will increase by JPY7.4 billion from FY2022 year-end, as mainly affected by foreign exchange rates.
- New contracts will increase by JPY17.8 billion from FY2022, as mainly affected by foreign exchange rates.
- Revenues will increase by JPY9.4 billion from FY2022, as affected by growing interest rates and foreign exchange rates.
- Segment profit will decrease by JPY6.3 billion from FY2022, mainly due to the absence of a gain on reversal of allowance for doubtful accounts recorded in North America for last fiscal year.

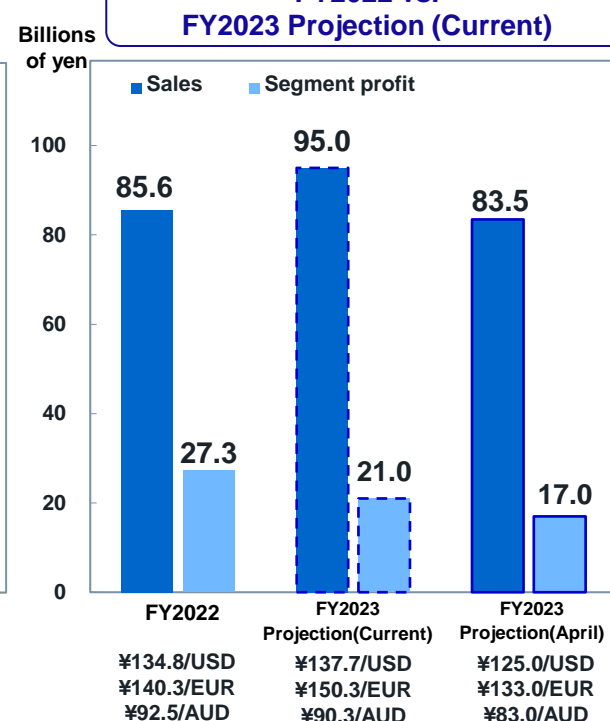
Assets
Mar.31, 2023 vs.
Mar.31, 2024 Projection (Current)



New Contracts
FY2022 vs.
FY2023 Projection (Current)



Revenues and profit
FY2022 vs.
FY2023 Projection (Current)



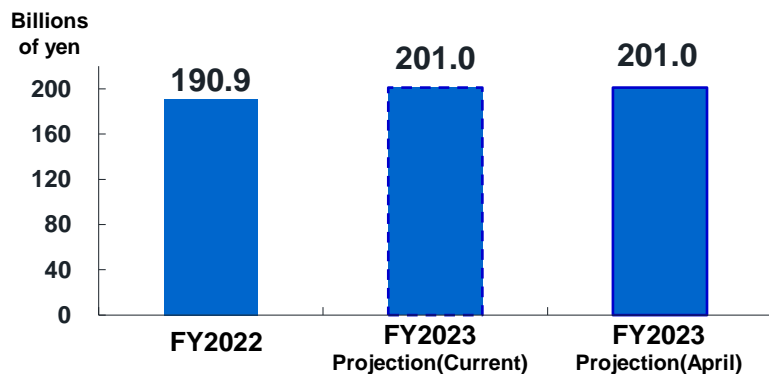
Billions of yen	2023/3E (A)	2024/3E Current Projection (B)	2024/3E April Projection	Changes (B)-(A)
Interest-bearing debt	856.9	878.0	784.3	+21.1
Interest-bearing debt, net	845.3	857.9	774.0	+12.6
Net D/E ratio	3.77	3.68	3.49	(0.09)pts.

	FY2022 (A)	FY2023 Current Projection (B)	FY2023 April Projection	Changes (B)-(A)
ROA	2.6%	1.9%	1.6%	(0.7)pts.

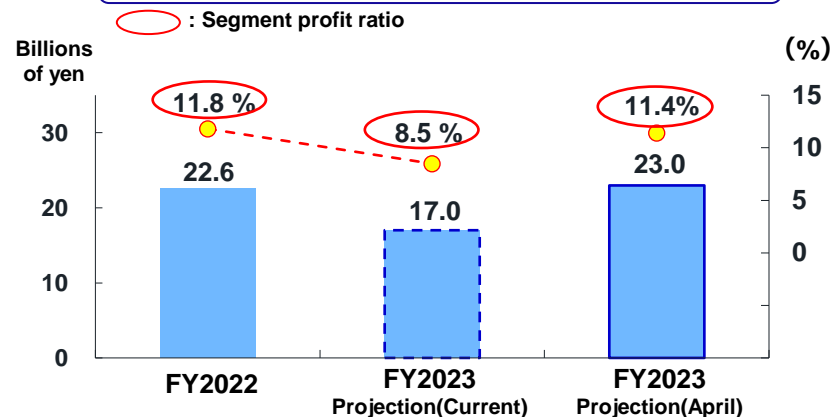
Industrial Machinery & Others : Projection of Sales and Segment Profit for FY2023

- Sales will increase by 5.3% from FY2022, to JPY201.0 billion. Segment profit will decrease by 24.7% to JPY17.0 billion.
- Presses and machine tools for the automobile manufacturing industry: Sales will increase, mainly due to increased sales of large presses.
- Business with the semiconductor manufacturing industry: Against the background of declining demand for semiconductors around the world, profit will decrease due to a decline in maintenance revenues, which have high profit margins.

Sales
FY2022 vs. FY2023 Projection(Current)



Segment profit
FY2022 vs. FY2023 Projection(Current)



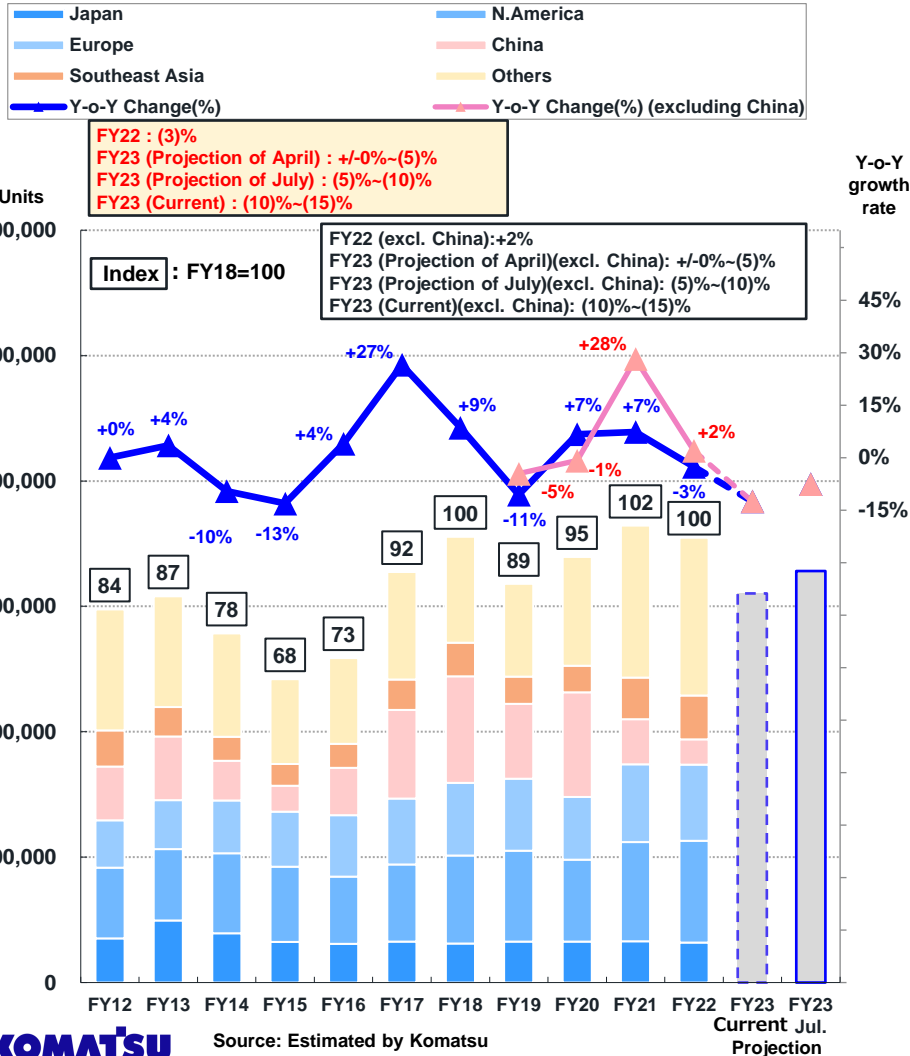
Breakdown of sales

Billions of yen	FY2022 (A)	FY2023 Projection (Current)(B)	FY2023 Projection (April)	Changes(B-A)	
				Increase (Decrease)	Change %
Komatsu Industries Corp.	42.6	49.6	46.6	+7.0	+16.4%
Komatsu NTC Ltd.	42.8	42.6	42.7	(0.2)	(0.4)%
Gigaphoton Inc.	58.5	58.9	62.6	+0.3	+0.5%
Others	47.0	49.9	49.1	+2.9	+6.2%
Total	190.9	201.0	201.0	+10.1	+5.3%

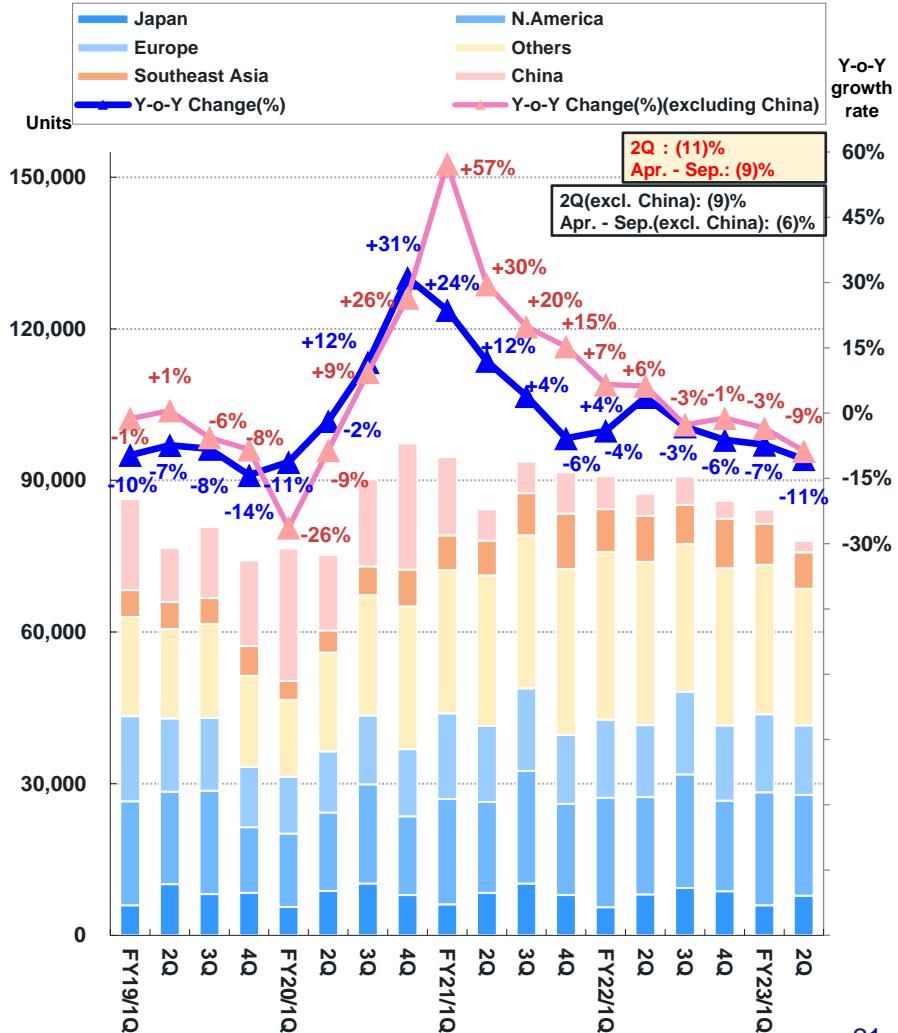
Construction, Mining & Utility Equipment: Actual and Projected Demand for 7 Major Products

- In 2Q FY2023, global demand decreased by 11% from the corresponding period a year ago. When China was excluded, demand decreased by 9% from the corresponding period a year ago.
- In FY2023, full-year demand will decrease between -10% and -15% (Changed from the projection of July 2023). When China is excluded, demand will decrease between -10% and -15% around the world (Changed from the projection of July 2023).

Annual demand for 7 major products



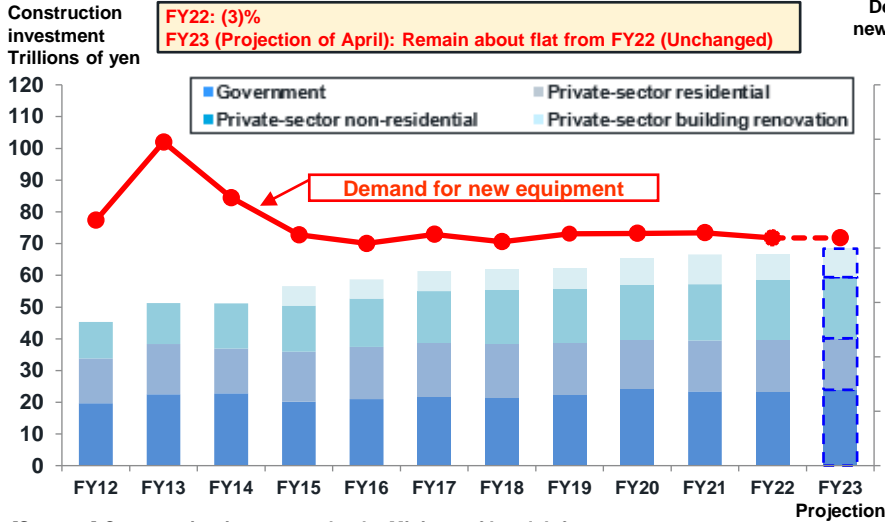
Quarterly demand for 7 major products



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

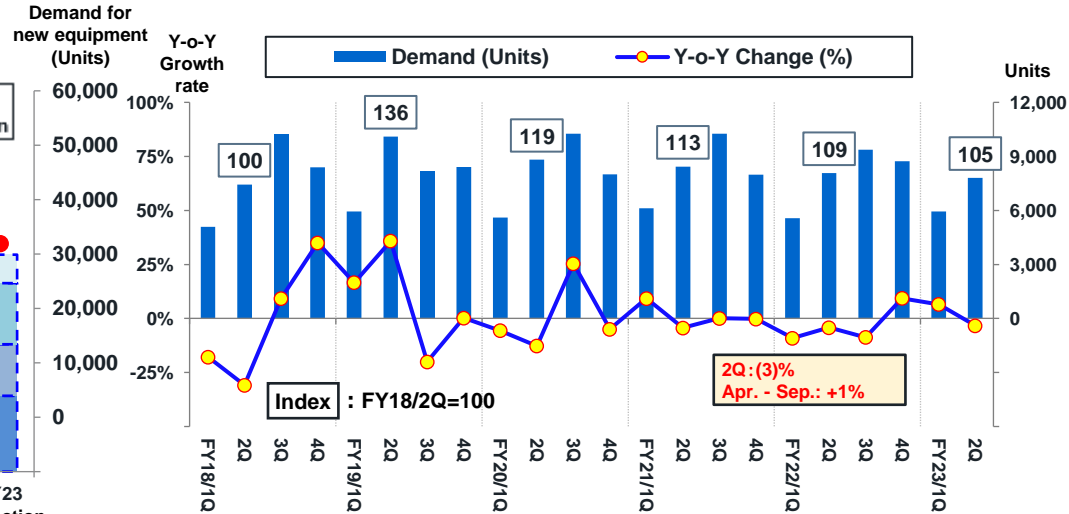
- In 2Q FY2023, demand decreased by 3% from the corresponding period a year ago. Demand remained steady in public works and private-sector construction.
- In FY2023, full-year demand will remain about flat from FY2022 (Unchanged from the projection of April 2023).

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

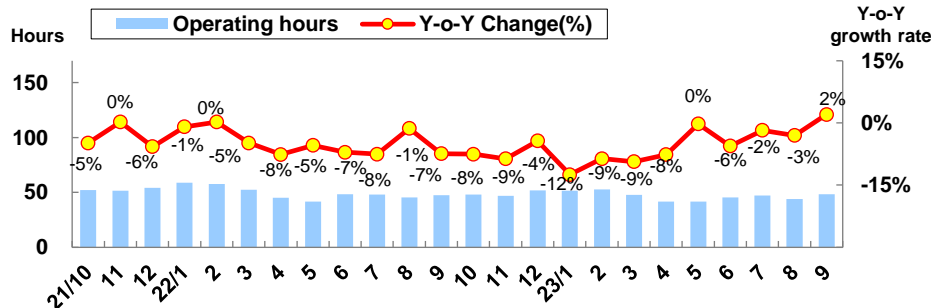


[Sources] Construction investment by the Ministry of Land, Infrastructure, Transport & Tourism, and Research Institute of Construction and Economy
Demand for 7 major products estimated by Komatsu

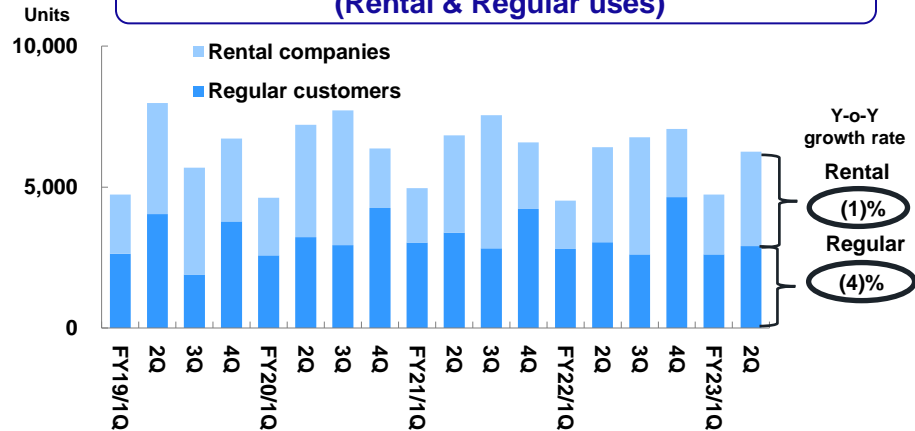
Quarterly demand for 7 major products



Komtrax in Japan: Average operating hours per month



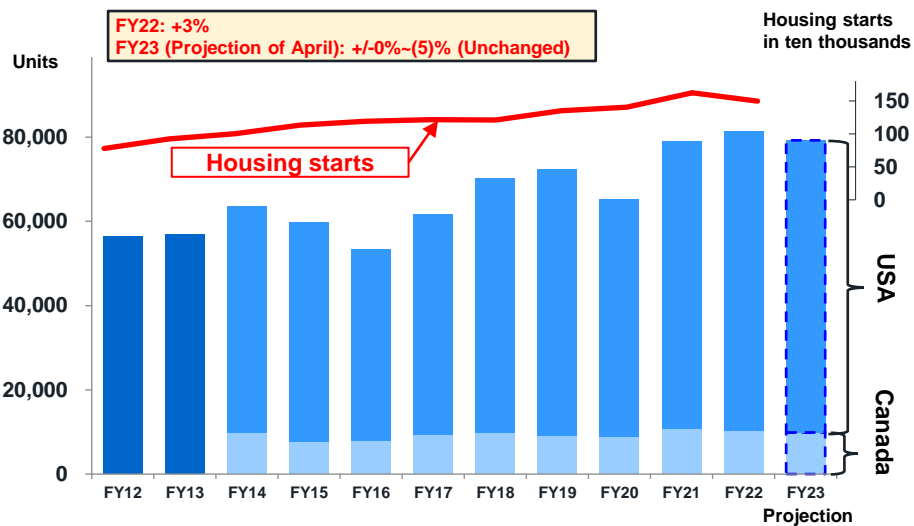
Quarterly demand for hydraulic excavators (Rental & Regular uses)



Construction, Mining & Utility Equipment : Demand in Major Markets (2) North America

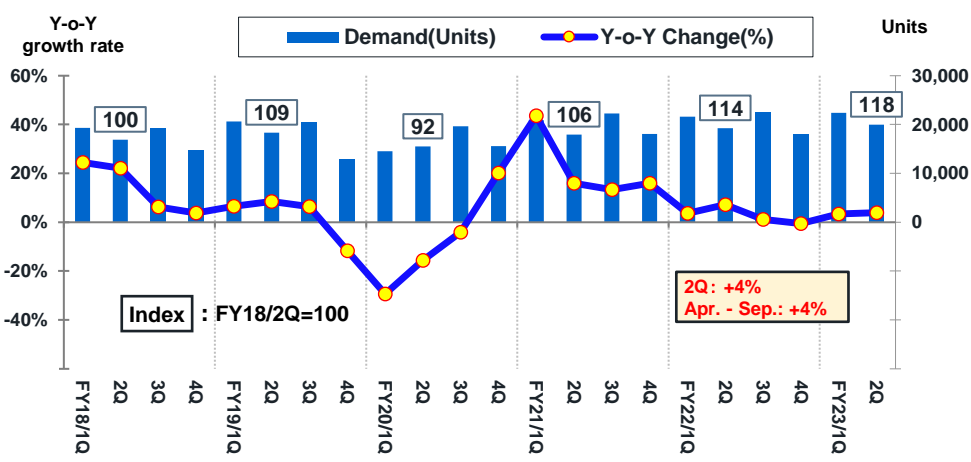
- In 2Q FY2023, demand increased by 4% from the corresponding period a year ago. Demand remained strong in the rental industry, infrastructure development, and the energy-related sector, while that in residential construction showed signs of a slow down as affected by interest rate hikes.
- In FY2023, full-year demand will decrease between +/-0% and -5% from FY2022 (Unchanged from the projection of April 2023).

Demand for 7 major products and US housing starts

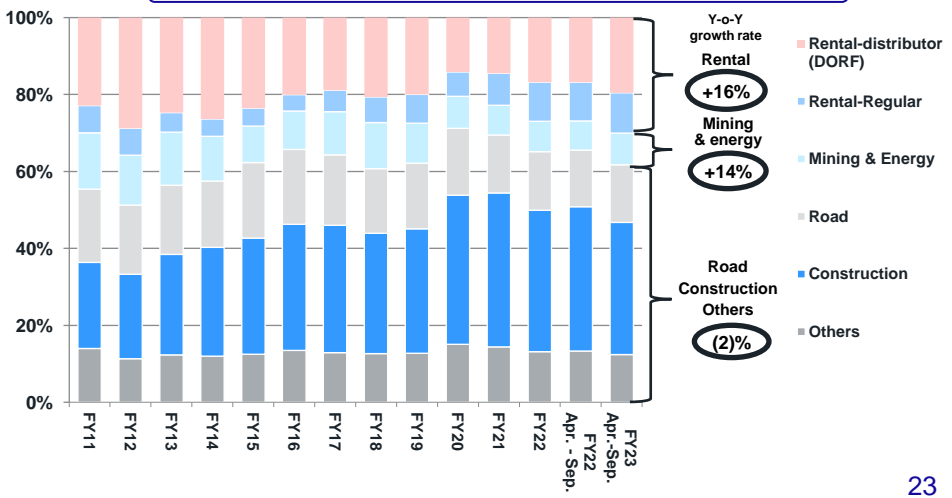


[Source]: Demand for 7 major products estimated by Komatsu

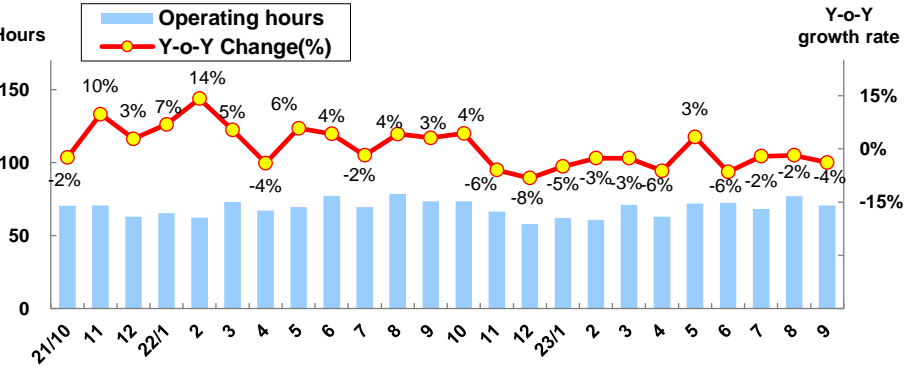
Quarterly demand for 7 major products



Breakdown of demand by segment (Unit basis)



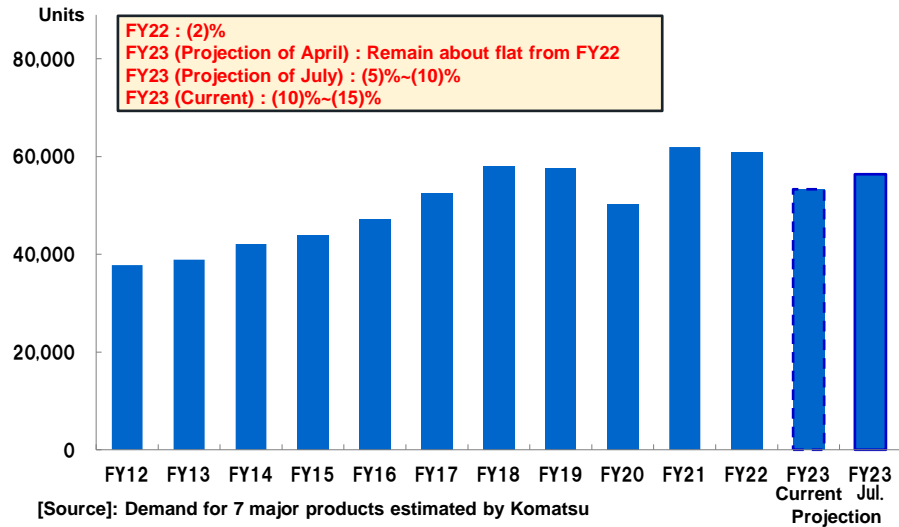
Komtrax in North America: Average operating hours per month



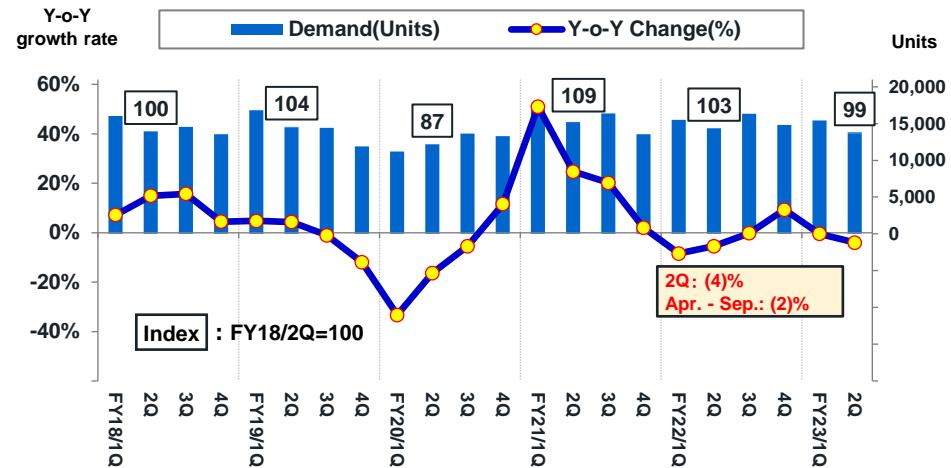
Construction, Mining & Utility Equipment : Demand in Major Markets (3) Europe

- In 2Q FY2023, demand decreased by 4% from the corresponding period a year ago.
Demand for construction equipment decreased, centering on the United Kingdom, a major European market, and Italy, as affected by rapid interest rate hikes and prolonging high inflation.
- In FY2023, full-year demand will decline between -10% to -15% from FY2022 (Changed from the projection of July 2023).

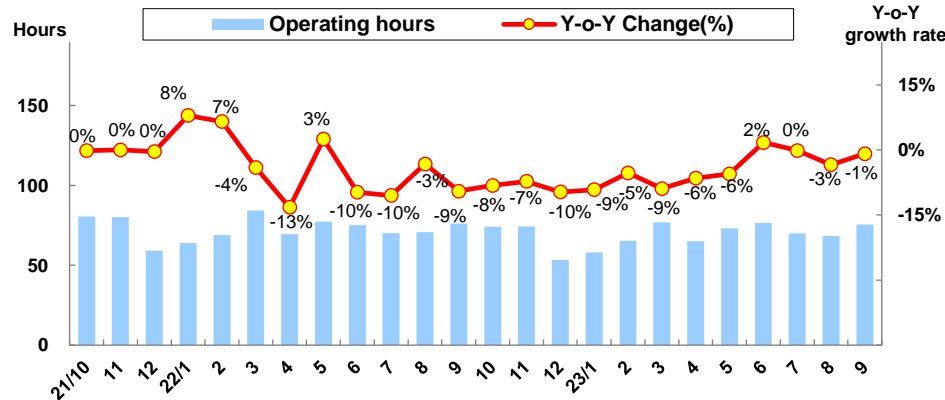
Annual demand for 7 major products



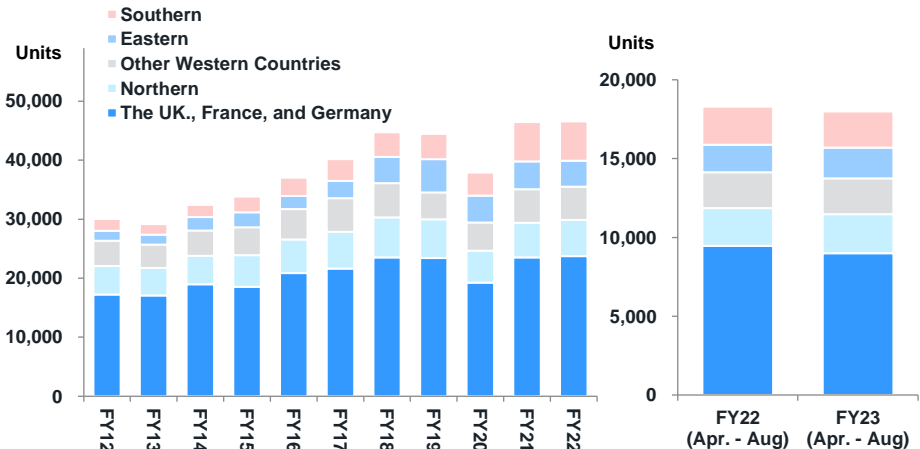
Quarterly demand for 7 major products



Komtrax in Europe: Average operating hours per month



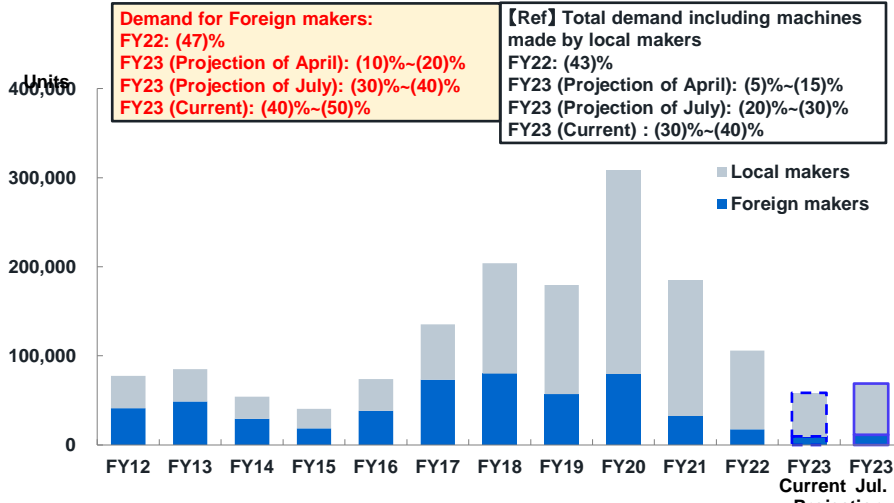
Region demand for 7 major products (Excl. 6t class)



Construction, Mining & Utility Equipment : Demand in Major Markets (4) China

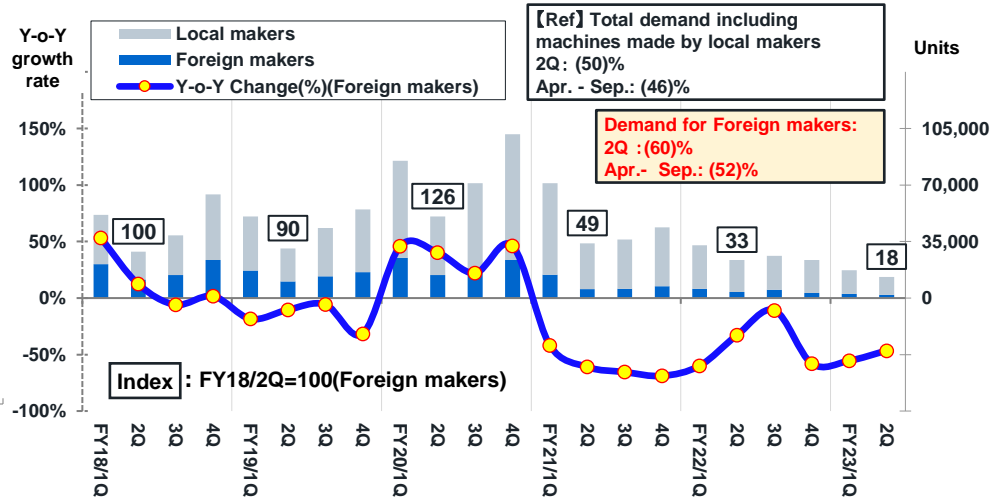
- In 2Q FY2023, demand dropped by 60% from the corresponding period a year ago. Demand continued to plummet sharply, mainly due to stagnant economic activities, especially against sluggish real estate market conditions.
- In FY2023, full-year demand will decline between -40% and -50% from FY2022 (Changed from the projection of July 2023).

Annual demand for hydraulic excavators (Excl. mini shovels)

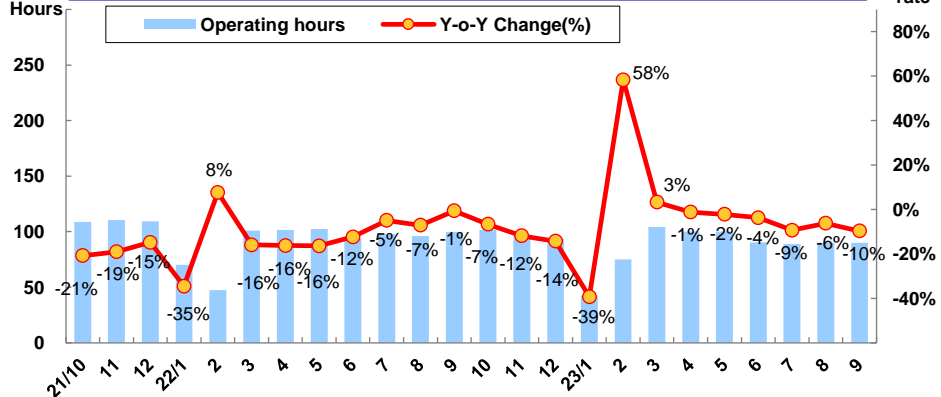


[Source]: Demand for hydraulic excavators estimated by Komatsu

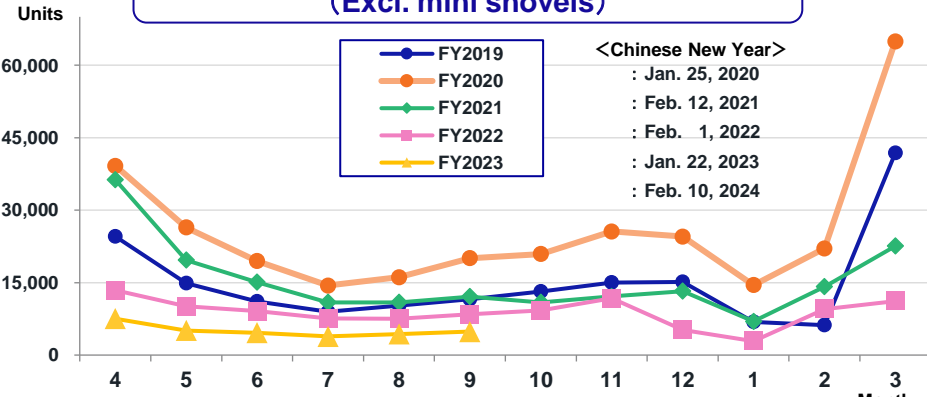
Quarterly demand for hydraulic excavators (Excl. mini shovels)



Komtrax in China : Average operating hours per month



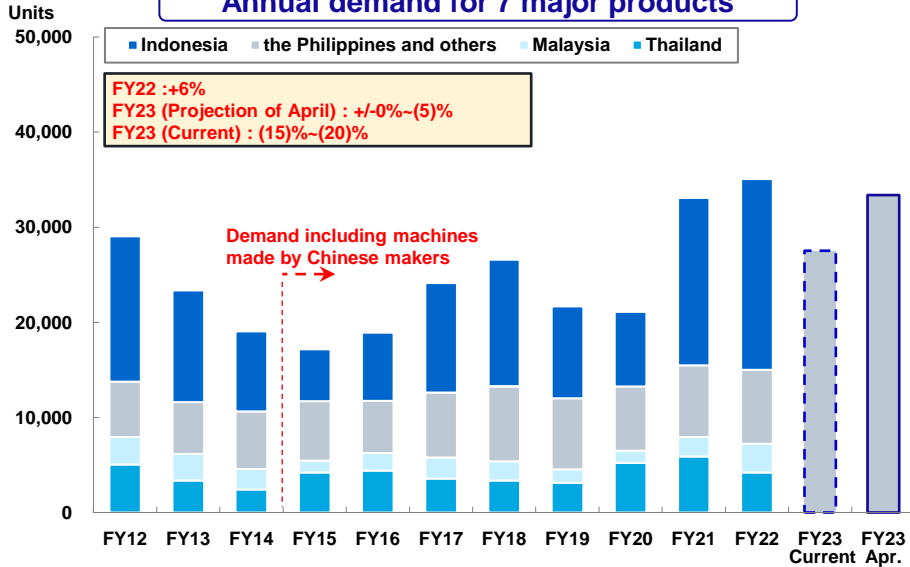
Monthly demand for hydraulic excavators (Excl. mini shovels)



Construction, Mining & Utility Equipment : Demand in Major Markets (5) Southeast Asia

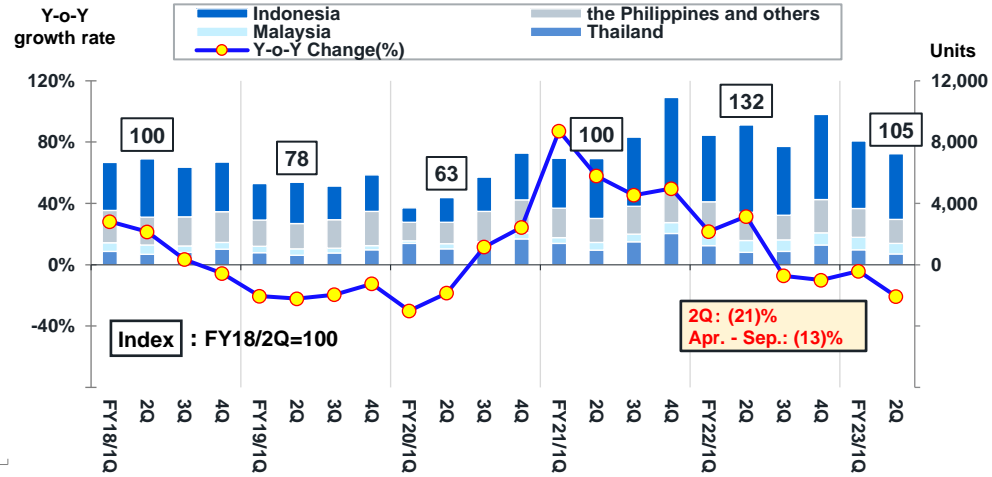
- In 2Q FY2023, demand declined by 21% from the corresponding period a year ago. While demand for mining equipment remained steady, centering on Indonesia, that for construction equipment dropped sharply in Indonesia, Thailand and Vietnam mainly due to delayed implementation of public works budgets.
- In FY2023, full-year demand will decline between -15% and -20% from FY2022 (Changed from the projection of April 2023).

Annual demand for 7 major products

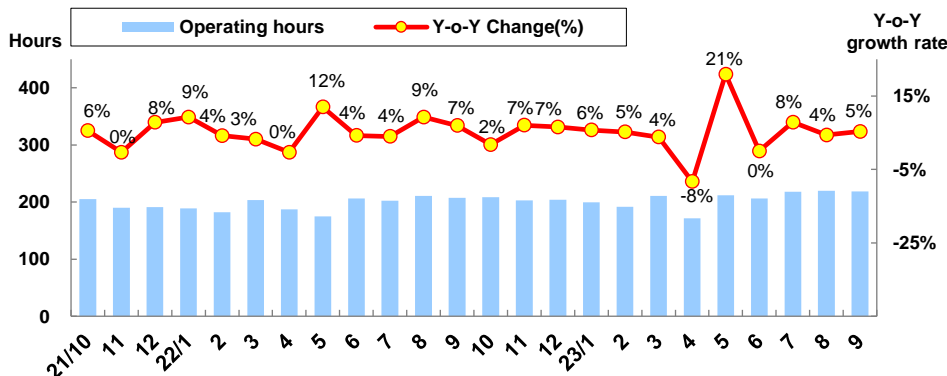


[Source]: Demand for 7 major products estimated by Komatsu

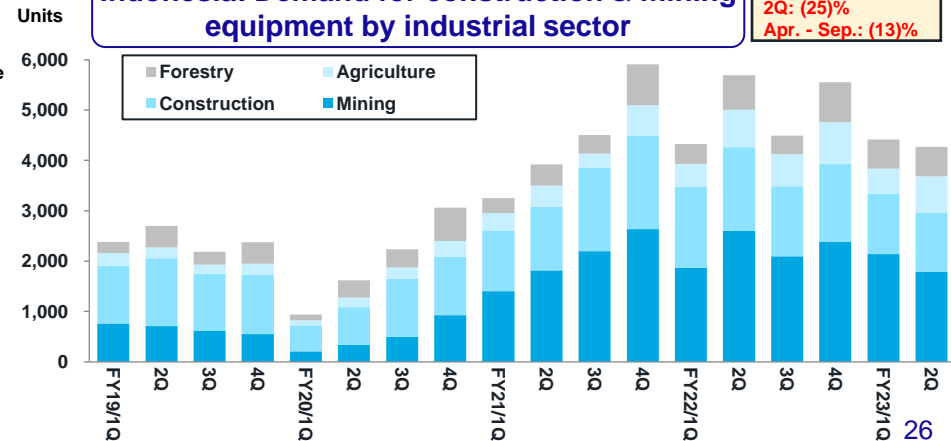
Quarterly demand for 7 major products



Komtrax in Indonesia: Average operating hours per month



Indonesia: Demand for construction & mining equipment by industrial sector



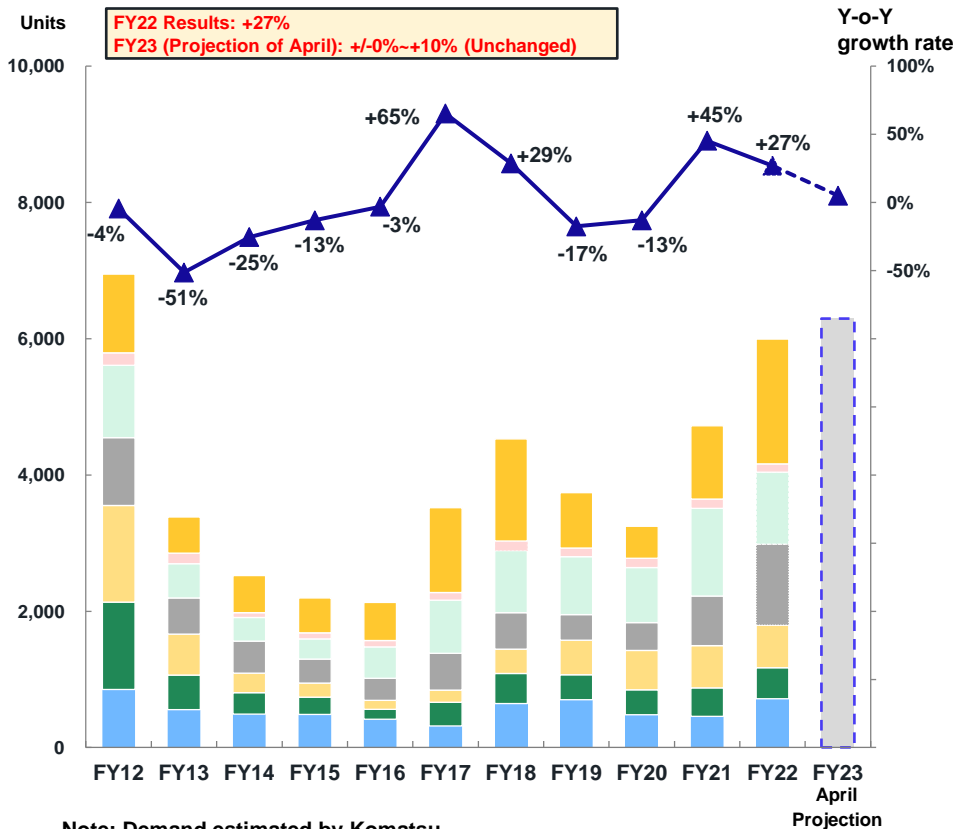
Construction, Mining & Utility Equipment : Actual and Projected Demand for Mining Equipment

- In 2Q FY2023, global demand for mining equipment advanced by 12% from the corresponding period a year ago. Demand increased in North America, in particular.
- In FY2023, full-year demand will increase between +/-0% and +10% from FY2022 (Unchanged from the projection of April 2023).

Annual demand for mining equipment



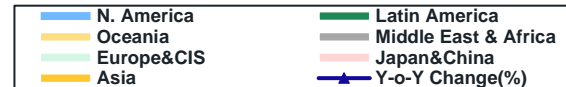
● FY22 Results: +27%
● FY23 (Projection of April): +/-0%~+10% (Unchanged)



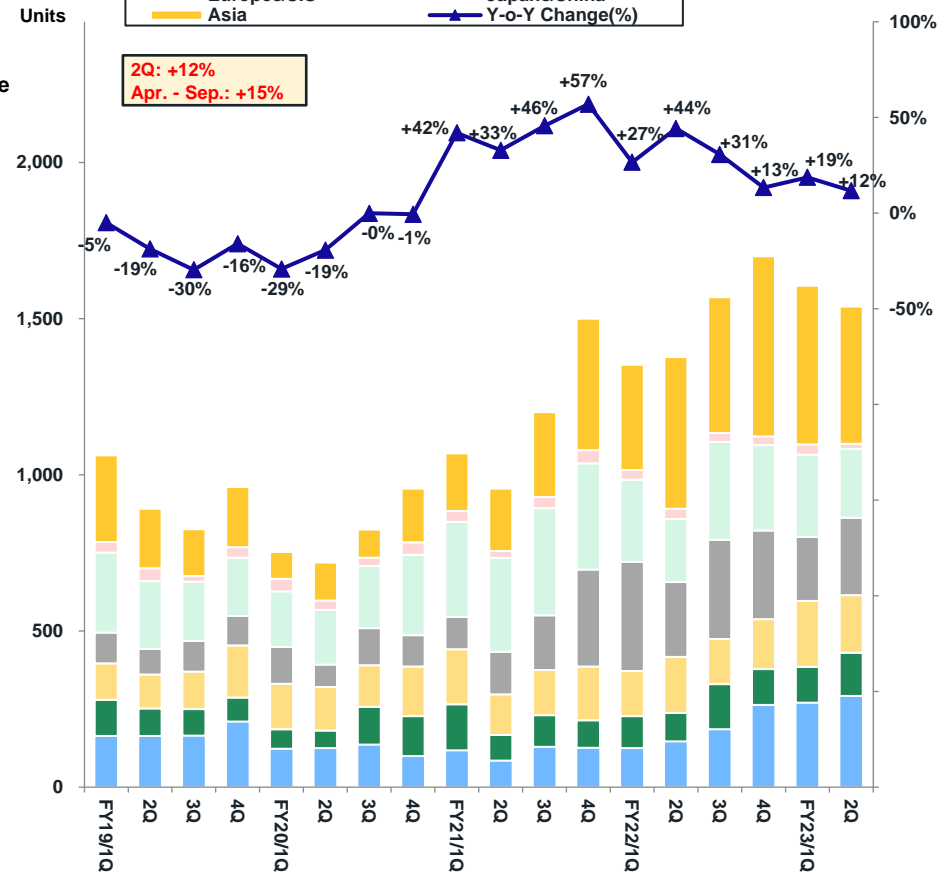
Note: Demand estimated by Komatsu

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

Quarterly demand for mining equipment



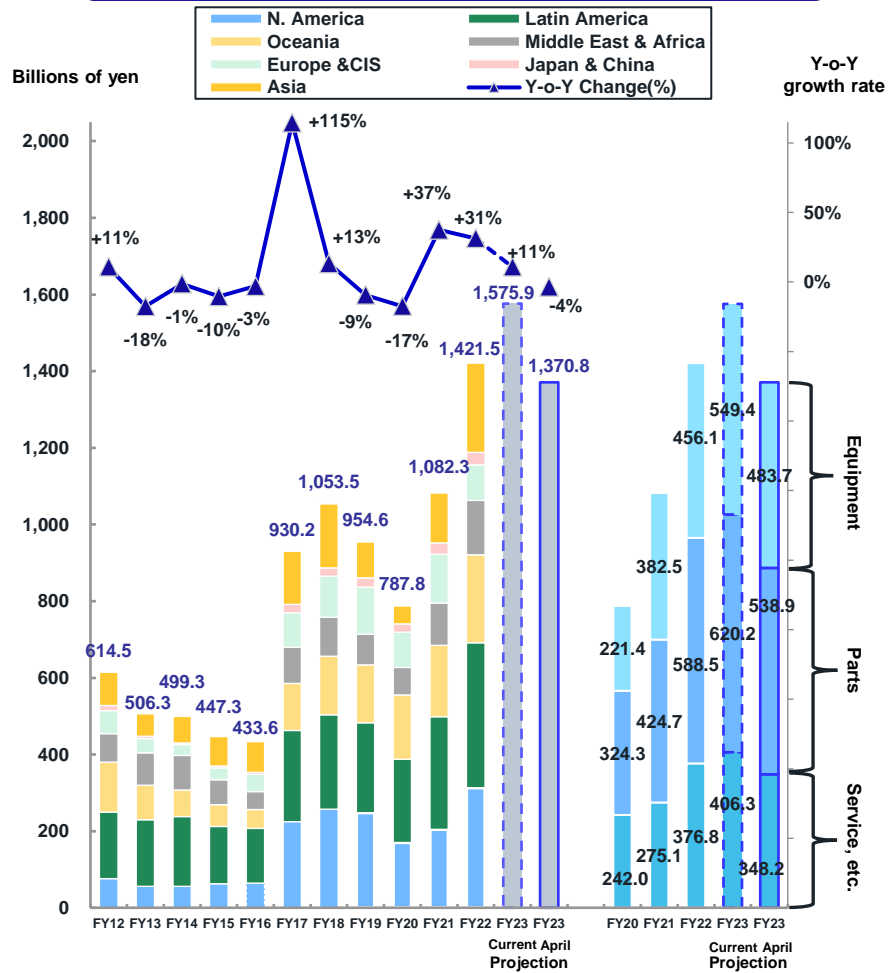
● 2Q: +12%
● Apr. - Sep.: +15%



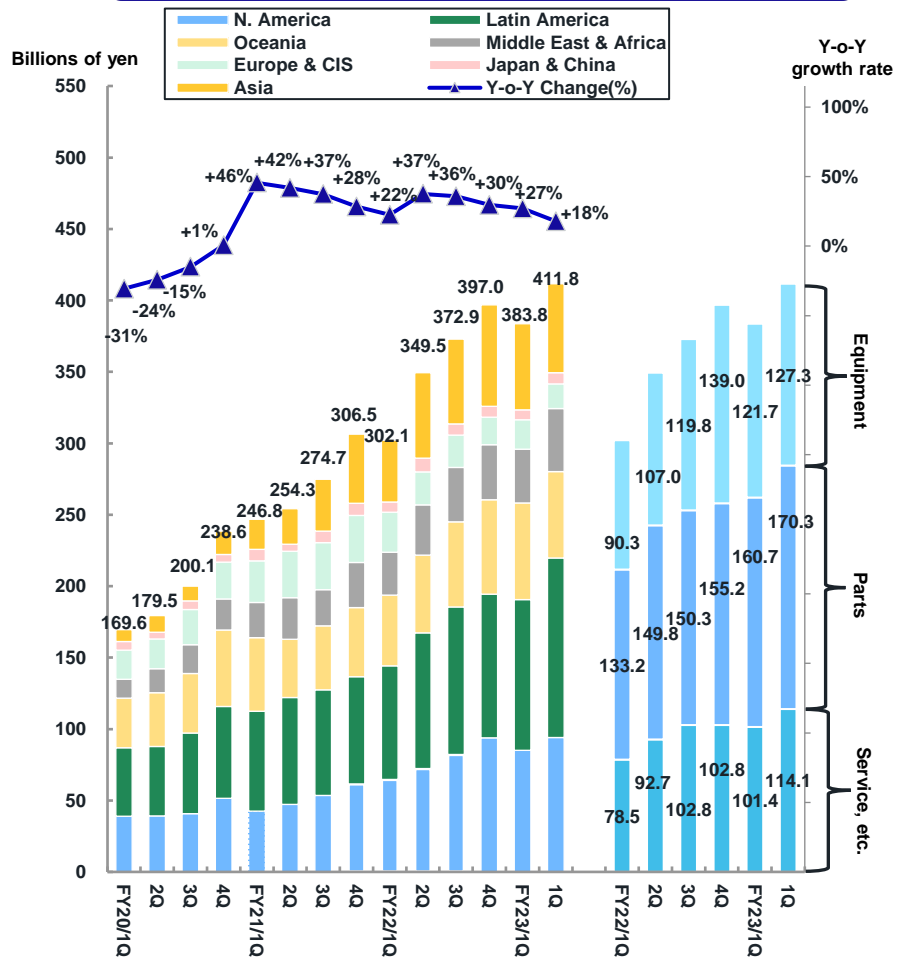
Construction, Mining & Utility Equipment : Actual and Projected Sales of Mining Equipment

- In 2Q FY2023, sales advanced by 18% from the corresponding period a year ago, to JPY411.8 billion.
- In FY2023, full-year sales will increase by 11% from FY2022, to JPY1,575.9 billion (Changed from the projection of April 2023).

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



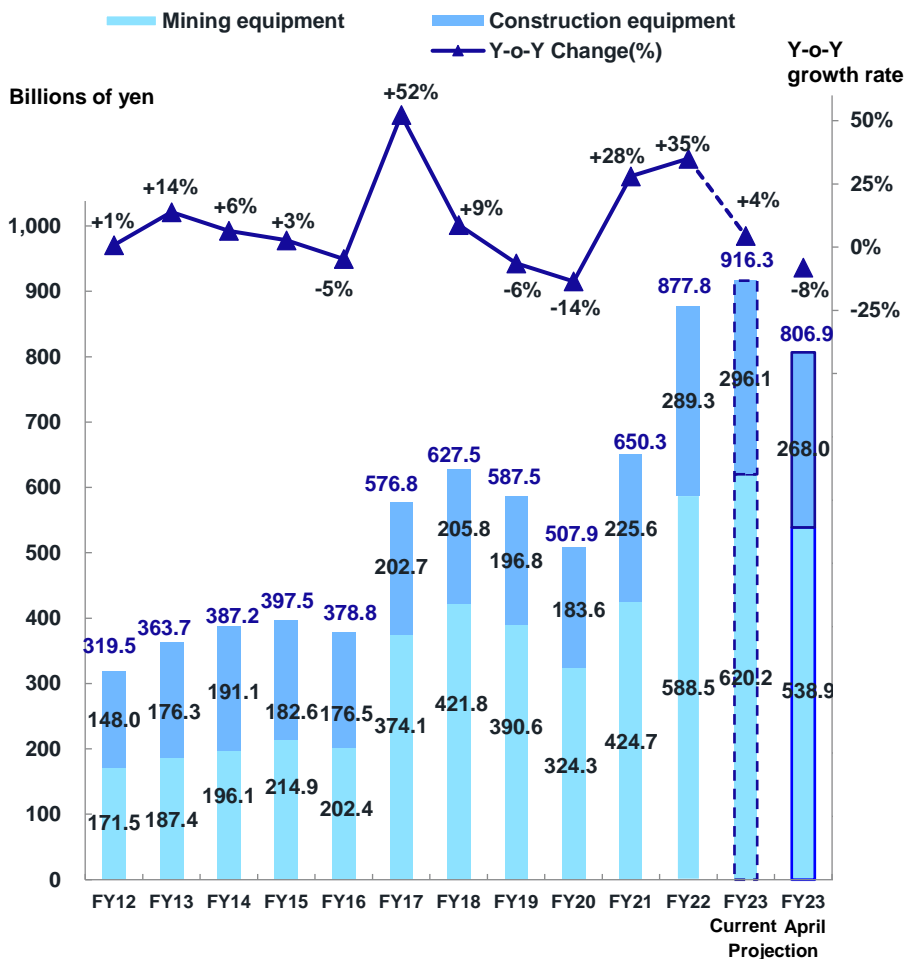
Quarterly sales of mining equipment (incl. parts and service)



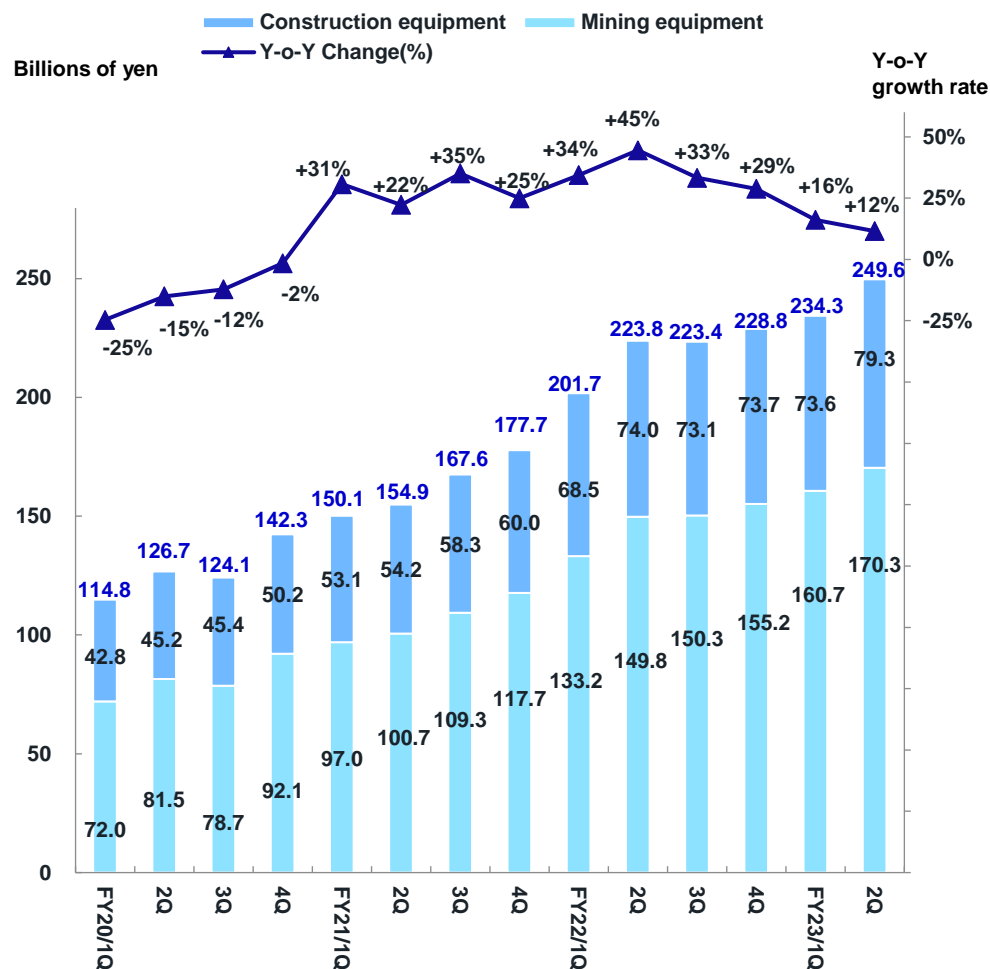
Construction, Mining & Utility Equipment : Actual and Projected Sales of Parts

- In 2Q FY2023, sales of parts advanced by 12% from the corresponding period a year ago, to JPY249.6 billion.
- In FY2023, full-year sales of parts will increase by 4% from FY2022, to JPY916.3 billion (Changed from the projection of April 2023).

Annual sales of parts



Quarterly sales of parts

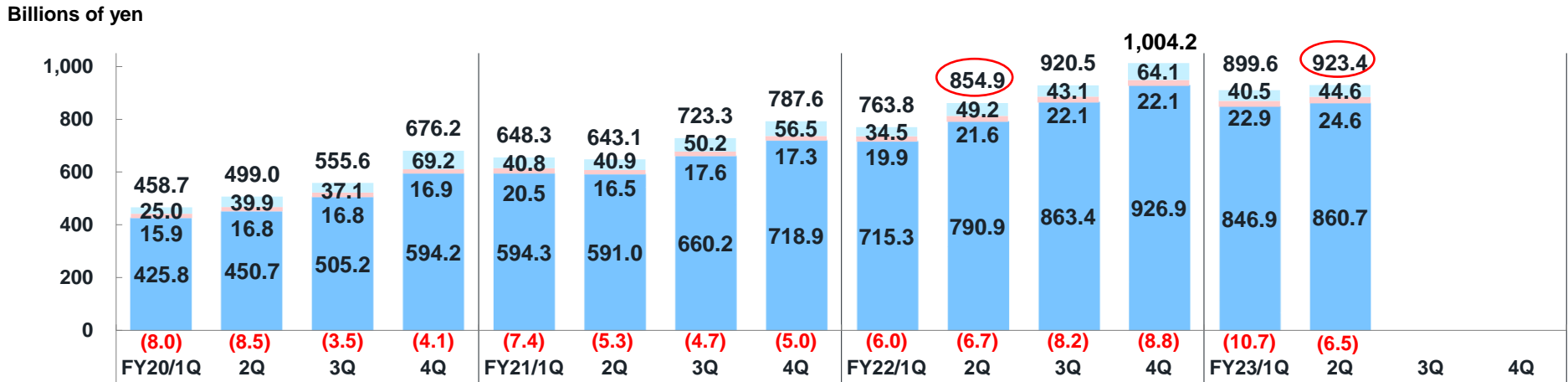


Appendix

<Appendix> Quarterly Sales and Operating Profit

Quarterly Sales

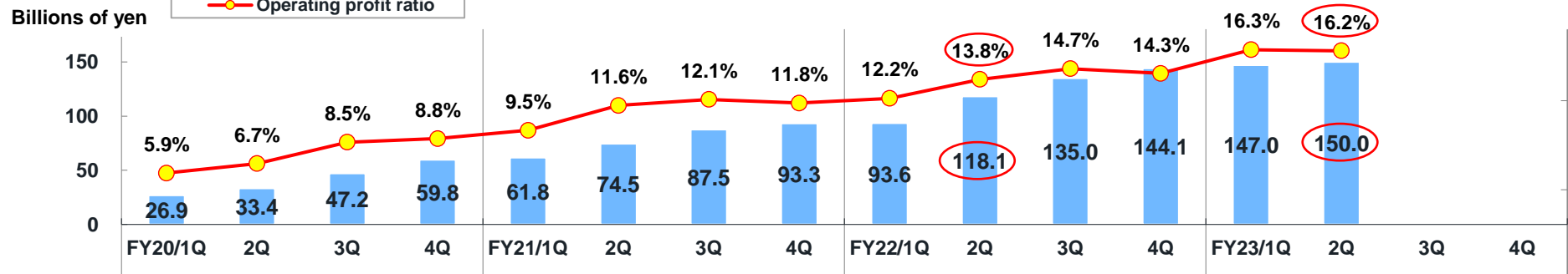
Elimination ■ Construction, Mining & Utility Equipment ■ Retail Finance ■ Industrial Machinery & Others



Exchange rates

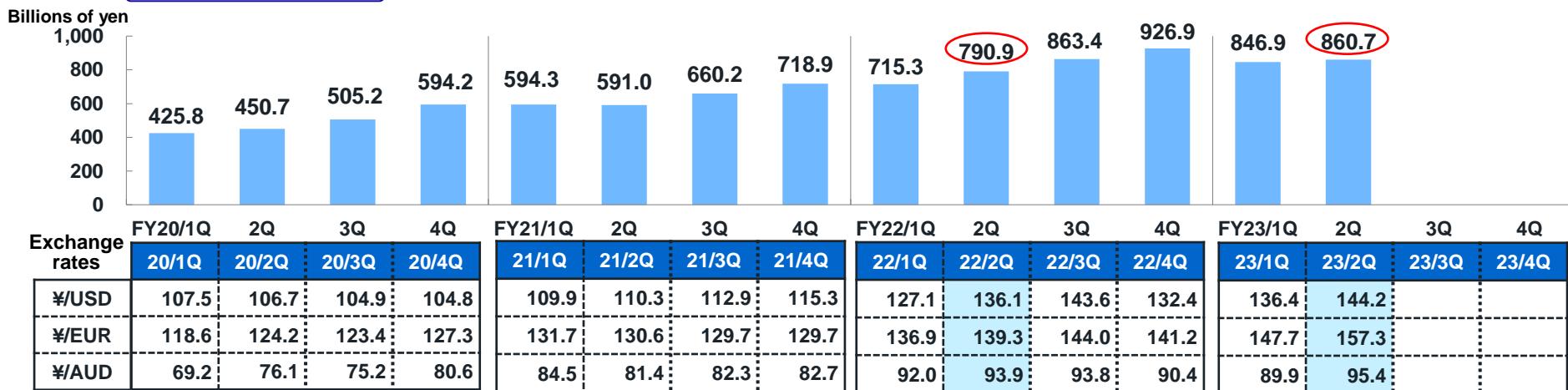
	20/1Q	20/2Q	20/3Q	20/4Q	21/1Q	21/2Q	21/3Q	21/4Q	22/1Q	22/2Q	22/3Q	22/4Q	23/1Q	23/2Q	23/3Q	23/4Q
¥/USD	107.5	106.7	104.9	104.8	109.9	110.3	112.9	115.3	127.1	136.1	143.6	132.4	136.4	144.2		
¥/EUR	118.6	124.2	123.4	127.3	131.7	130.6	129.7	129.7	136.9	139.3	144.0	141.2	147.7	157.3		
¥/AUD	69.2	76.1	75.2	80.6	84.5	81.4	82.3	82.7	92.0	93.9	93.8	90.4	89.9	95.4		

Quarterly Operating Profit

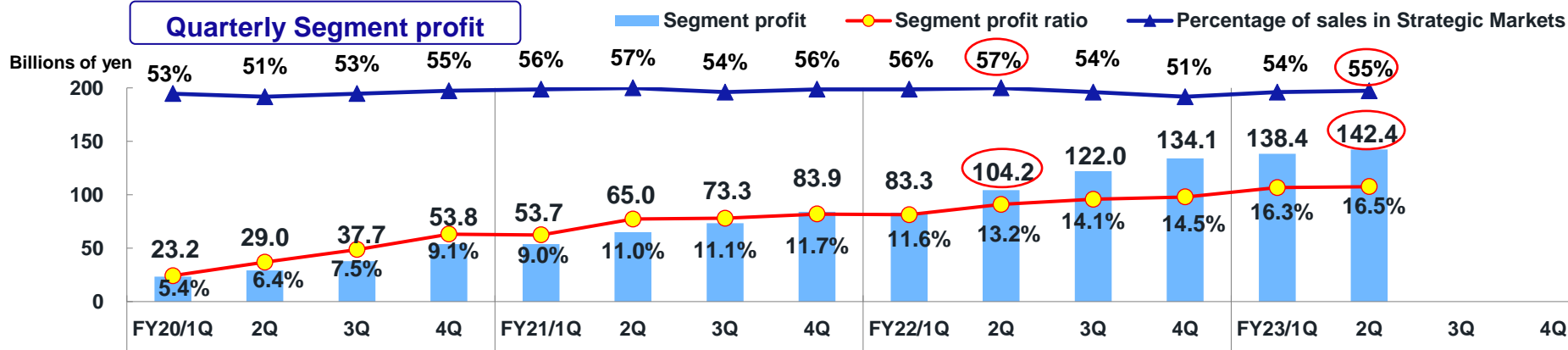


<Appendix> Construction, Mining & Utility Equipment: Quarterly Sales and Segment Profit

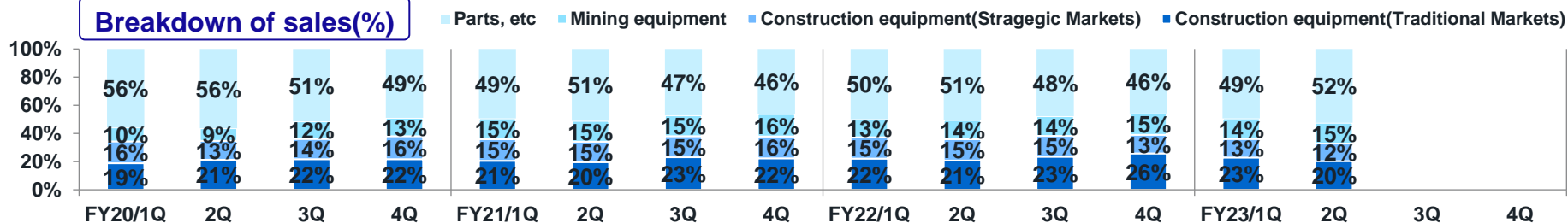
Quarterly Sales



Quarterly Segment profit

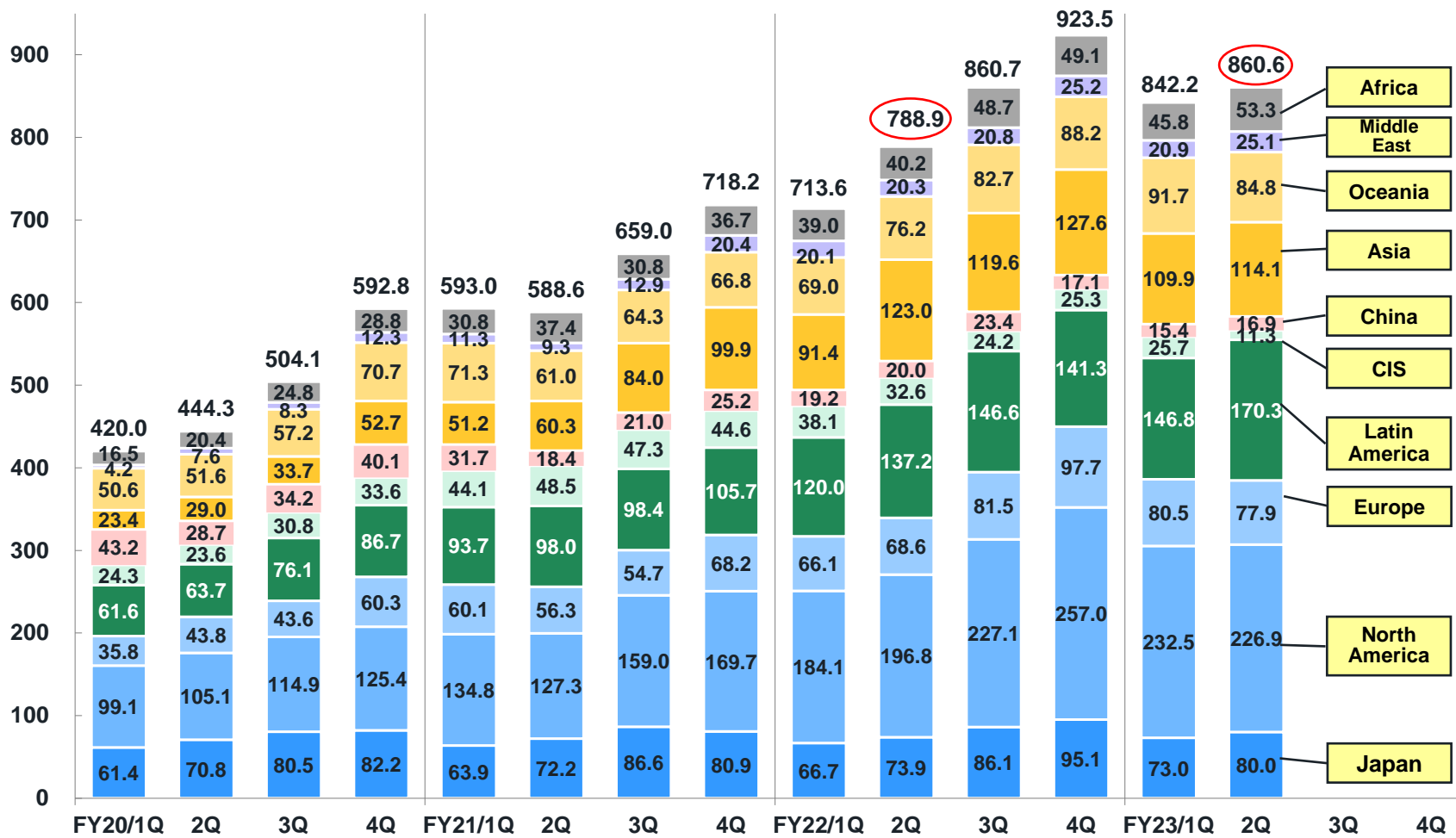


Breakdown of sales(%)



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

Billions of yen



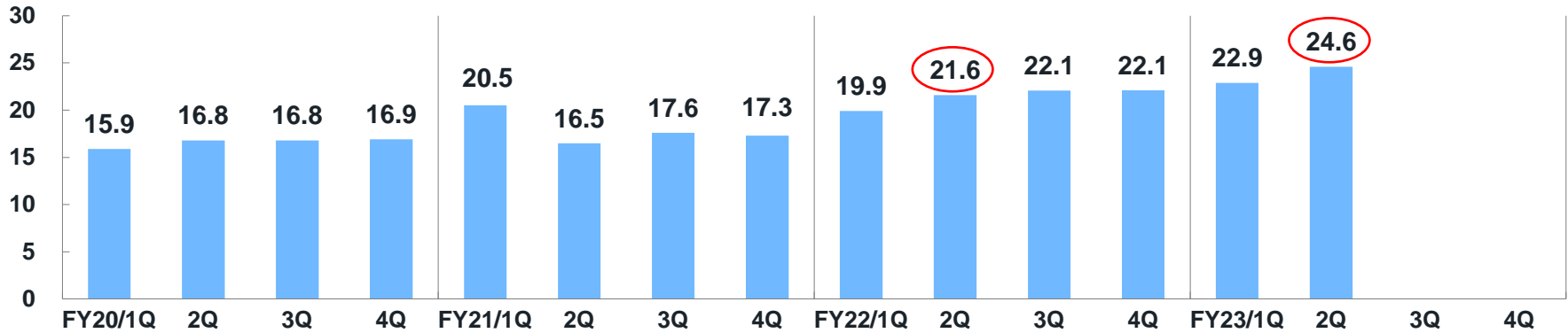
Exchange rates

	20/1Q	20/2Q	20/3Q	20/4Q	21/1Q	21/2Q	21/3Q	21/4Q	22/1Q	22/2Q	22/3Q	22/4Q	23/1Q	23/2Q	23/3Q	23/4Q
¥/USD	107.5	106.7	104.9	104.8	109.9	110.3	112.9	115.3	127.1	136.1	143.6	132.4	136.4	144.2		
¥/EUR	118.6	124.2	123.4	127.3	131.7	130.6	129.7	129.7	136.9	139.3	144.0	141.2	147.7	157.3		
¥/AUD	69.2	76.1	75.2	80.6	84.5	81.4	82.3	82.7	92.0	93.9	93.8	90.4	89.9	95.4		

<Appendix> Retail Finance: Quarterly Sales and Segment Profit

Billions of yen

Quarterly Sales

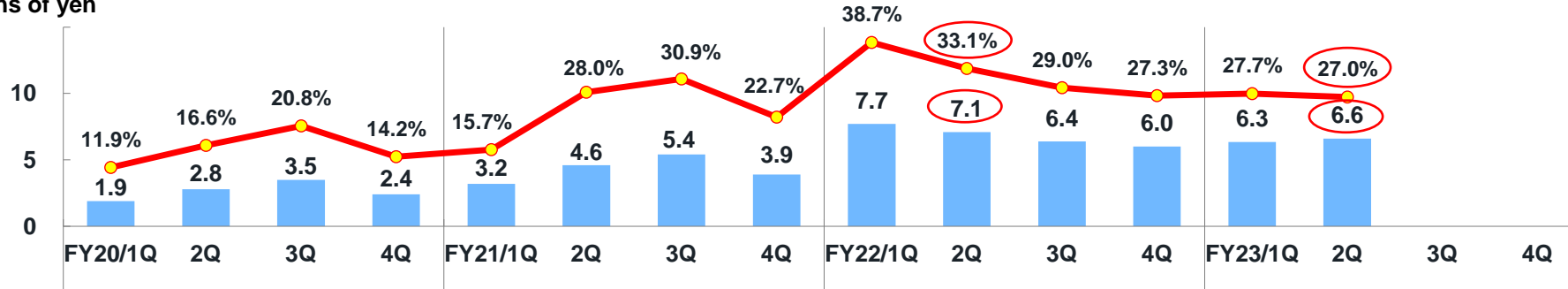


Exchange rates

	20/1Q	20/2Q	20/3Q	20/4Q	21/1Q	21/2Q	21/3Q	21/4Q	22/1Q	22/2Q	22/3Q	22/4Q	23/1Q	23/2Q	23/3Q	23/4Q
¥/USD	107.5	106.7	104.9	104.8	109.9	110.3	112.9	115.3	127.1	136.1	143.6	132.4	136.4	144.2		
¥/EUR	118.6	124.2	123.4	127.3	131.7	130.6	129.7	129.7	136.9	139.3	144.0	141.2	147.7	157.3		
¥/AUD	69.2	76.1	75.2	80.6	84.5	81.4	82.3	82.7	92.0	93.9	93.8	90.4	89.9	95.4		

Quarterly Segment profit

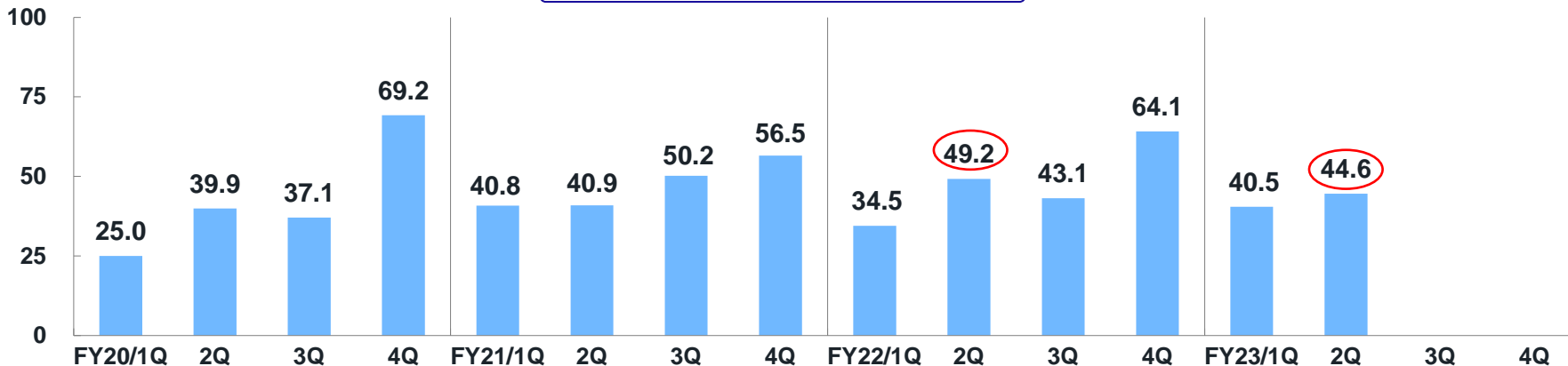
Billions of yen



<Appendix> Industrial Machinery & Others: Quarterly Sales and Segment Profit

Billions of yen

Quarterly Sales

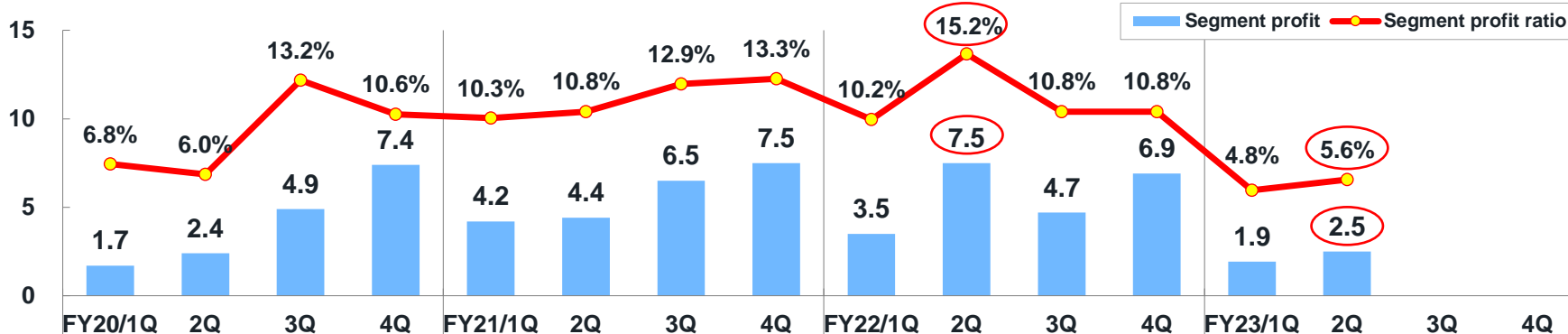


Exchange rates

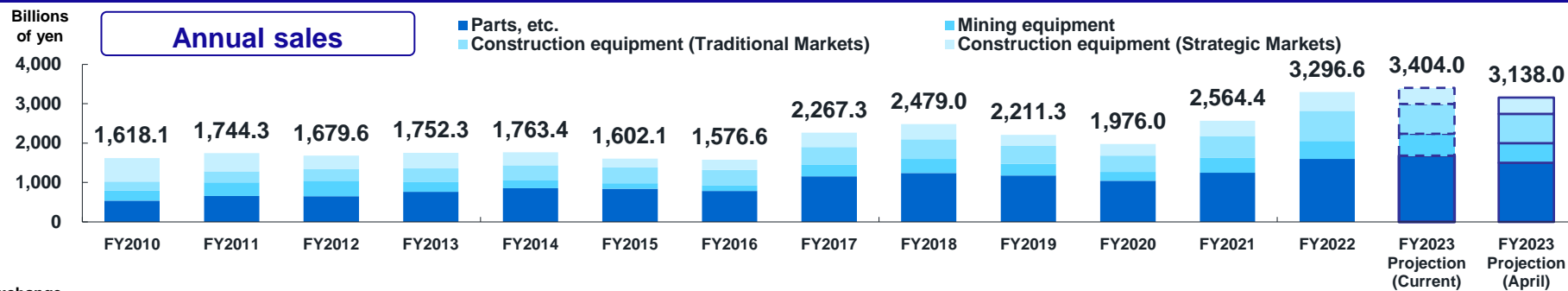
	20/1Q	20/2Q	20/3Q	20/4Q	21/1Q	21/2Q	21/3Q	21/4Q	22/1Q	22/2Q	22/3Q	22/4Q	23/1Q	23/2Q	23/3Q	23/4Q
¥/USD	107.5	106.7	104.9	104.8	109.9	110.3	112.9	115.3	127.1	136.1	143.6	132.4	136.4	144.2		
¥/EUR	118.6	124.2	123.4	127.3	131.7	130.6	129.7	129.7	136.9	139.3	144.0	141.2	147.7	157.3		
¥/AUD	69.2	76.1	75.2	80.6	84.5	81.4	82.3	82.7	92.0	93.9	93.8	90.4	89.9	95.4		

Billions of yen

Quarterly Segment profit

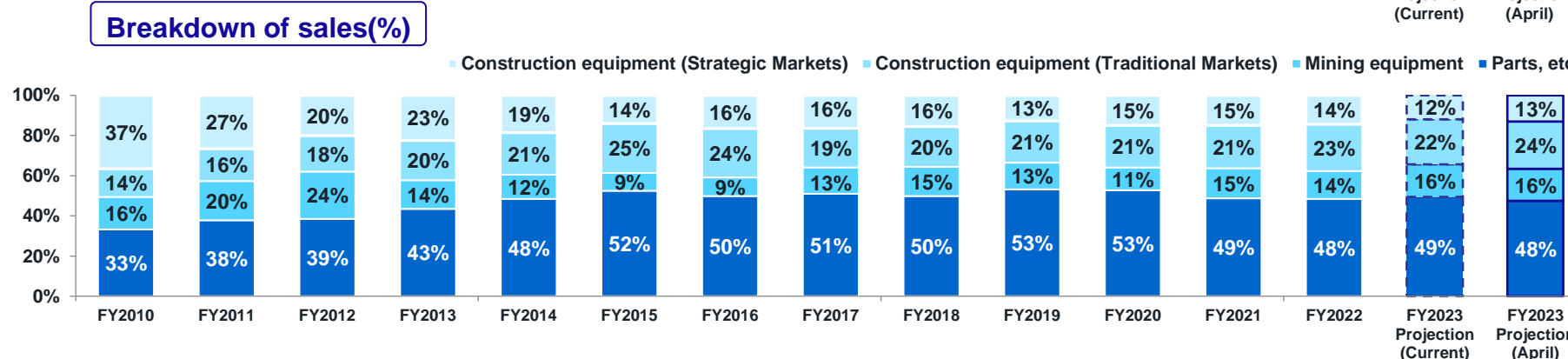
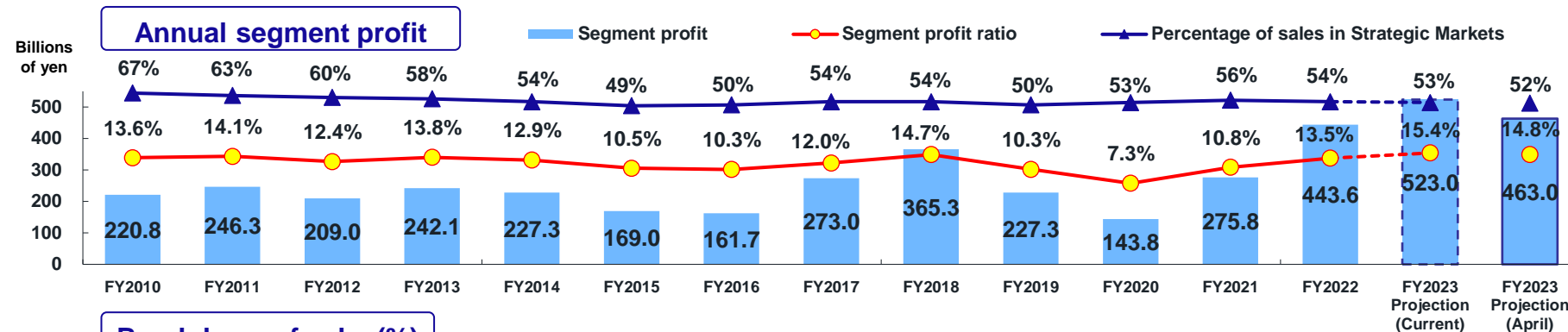


<Appendix> Construction, Mining & Utility Equipment: Annual Sales and Segment Profit



Exchange rates

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2023
¥/USD	85.0	79.0	82.5	99.6	109.7	120.8	108.6	111.2	110.6	108.7	106.0	112.1	134.8	137.7	125.0
¥/EUR	113.0	110.0	106.6	132.8	139.6	132.4	119.3	129.6	128.5	120.8	123.4	130.4	140.3	150.3	133.0
¥/AUD	-	-	-	-	-	-	-	-	-	-	-	82.7	92.5	90.3	83.0

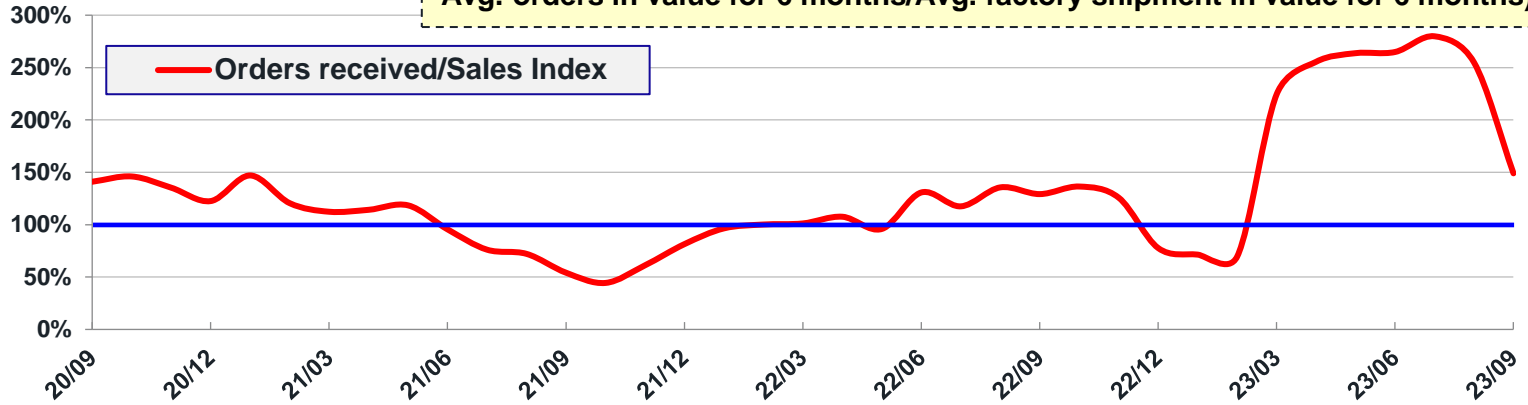


<Appendix> Book-to-Bill Ratio for Mining Equipment (6 Months)

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

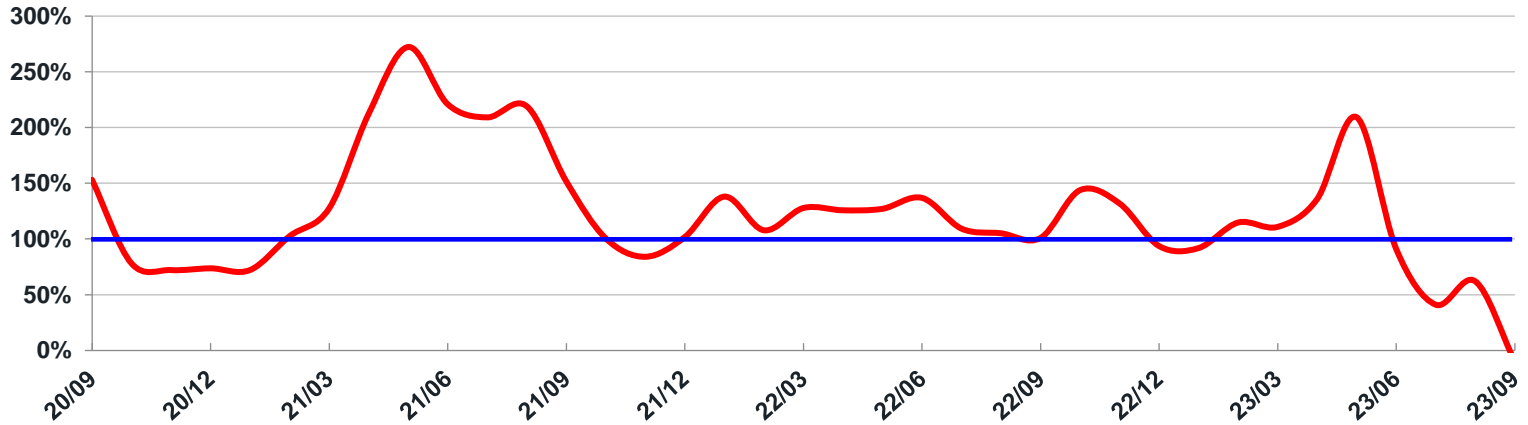
Komatsu America (Mining eqpt.)

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



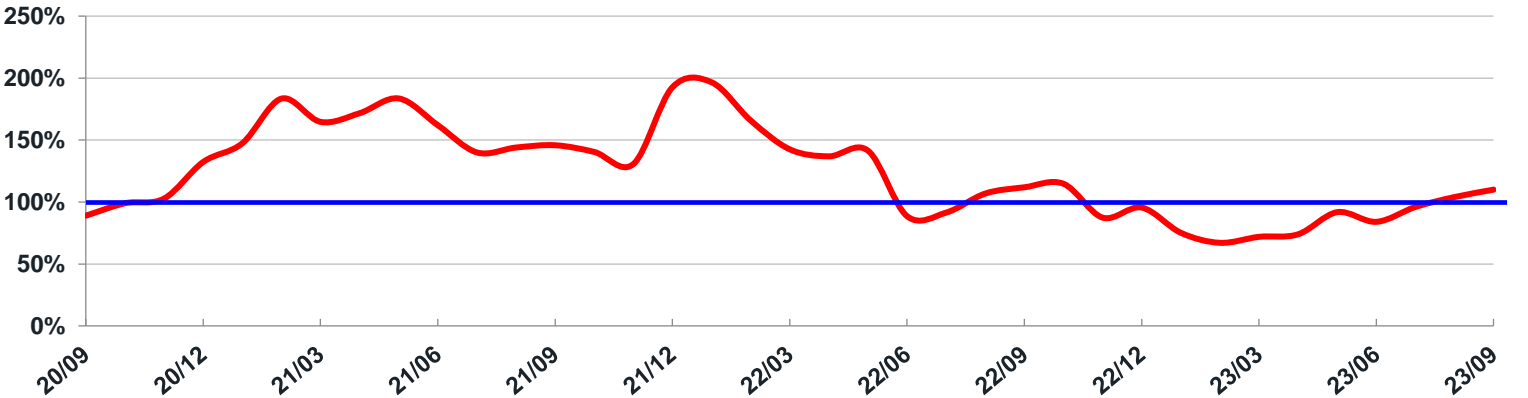
Komatsu Germany (Mining eqpt.)

PC3000
PC4000
PC5500
PC7000
PC8000



Komatsu Ltd. (Mining eqpt.)

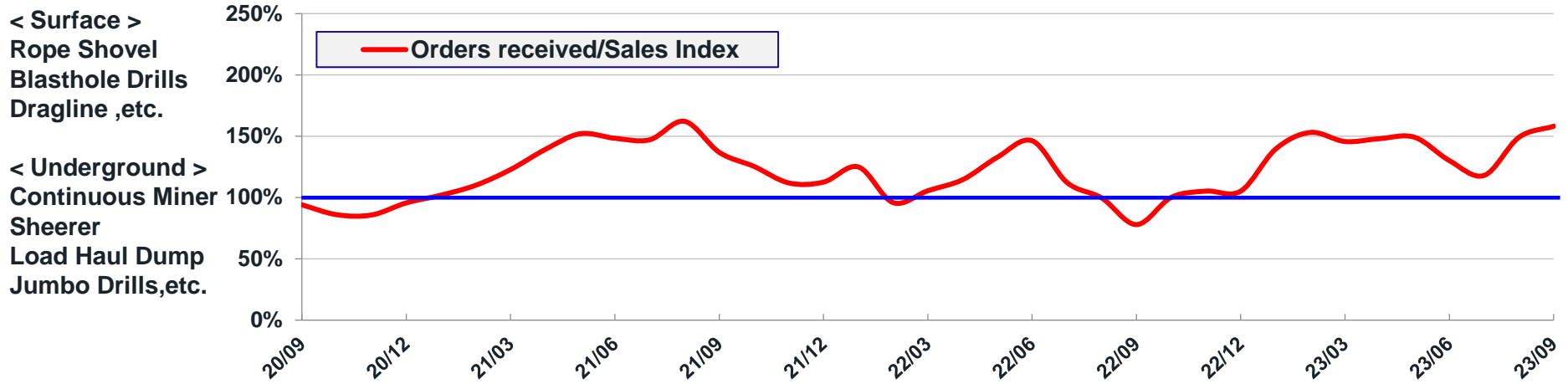
HD785, HD1500
PC2000, PC3400
PC4000
WA800 up
D375A up
GD825A up



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

KMC
(Mining eqpt.)

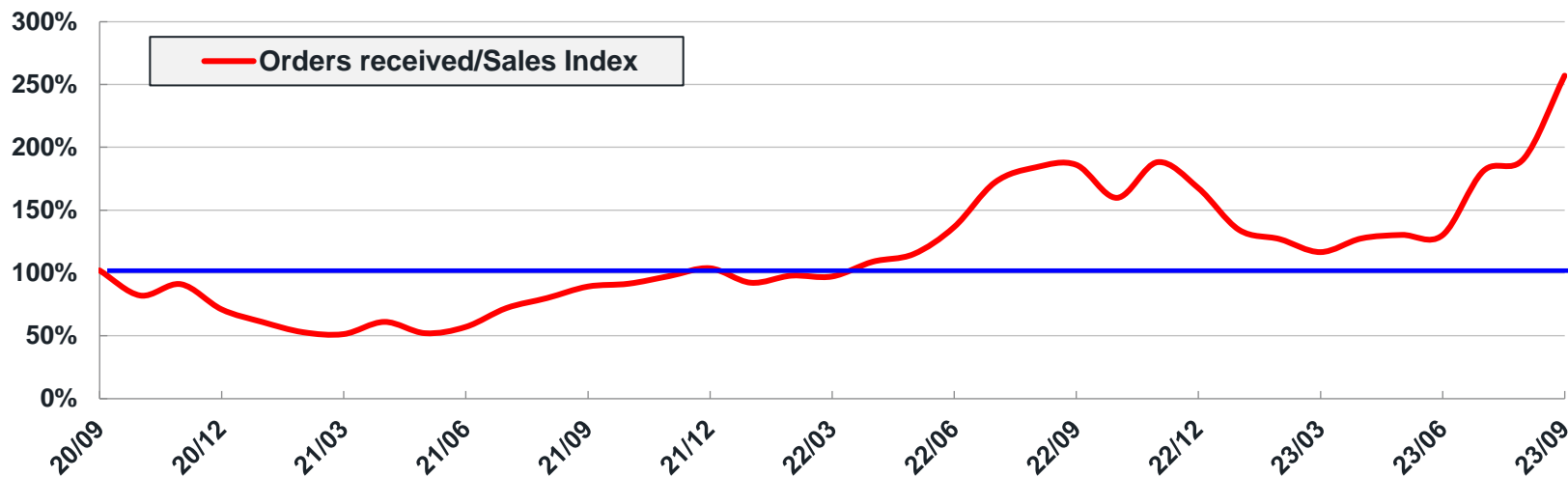
Avg. orders in value for 6 months/Avg. factory shipment in value for 6 months



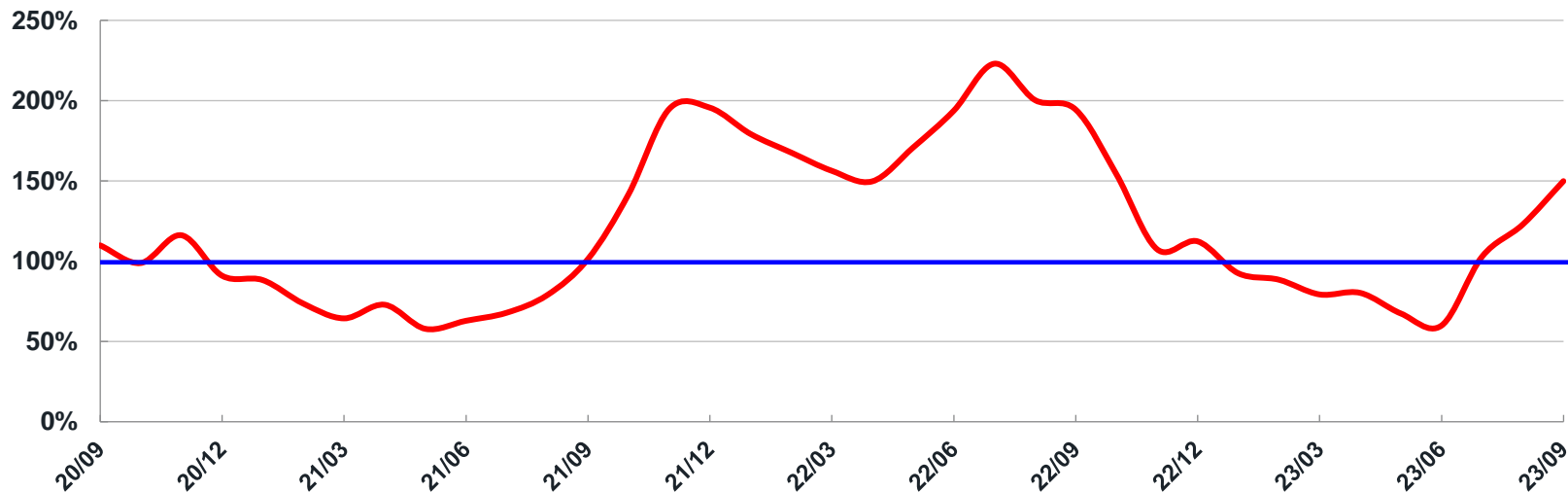
<Appendix> Book-to-Bill Ratio for Industrial Machinery (6 Months)

Komatsu Industries

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



Komatsu NTC



This is what underwater construction will look like in the future

- Komatsu and Asunaro Aoki Construction Co., Ltd. will present "Underwater Construction of the Future" to the world.
- Our presentation will feature cutting-edge technologies, such as super remote control, unmanned construction, and underwater electric drive, at the "Future Life Expo: Future City," of the Future Society Showcase Project for Expo 2025 Osaka, Kansai, Japan.

(News release of August 2, 2023)



Accelerating the realization of carbon neutrality

•Komatsu and Hitachi, Ltd. provided technology to Denyo Co., Ltd. which was developing a 250kW hydrogen co-firing generator, and we have successfully commercialized it. As part of its efforts to achieve carbon neutrality, Komatsu has installed the first generator of this type at its Oyama Plant.

(News release of August 8, 2023)



Hydrogen co-firing generator installed at Oyama Plant

Komatsu issues “Komatsu Report 2023”

• We published our integrated report, Komatsu Report, annually for our stakeholders to introduce Komatsu Group's efforts to realize sustainable growth.

(News release of September 22, 2023)



CEO Message

Komatsu's component strategies are advancing to the next stage in conjunction with technological progress.



Mid-term management plan

Solution for creating new customer value through workplace optimization

DX Smart Construction

Toward further enhancement of customers' job site safety and productivity

Automation development of construction and mining equipment

New value creation for realizing a decarbonized society

Challenges to carbon neutrality

Lifecycle-long value provision through digital technologies

Evolution of value chain strategies

Sustainability



Demining machine



**- Working to create a market for electric construction equipment -
To launch the PC05E-1 electric micro excavator developed jointly by Komatsu and Honda**

• Komatsu has launched sales of the PC05E-1 electric micro excavator in the Japanese market in October this year, which was jointly developed with Honda Motor Co., Ltd.

(News release of September 26, 2023)



**New electric micro excavator powered by
a swappable mobile battery, “PC05E-1”**

Investor relations

<https://www.komatsu.jp/en/ir>

Mid-term Management Plan

https://www.komatsu.jp/en/newsroom/2022/20220428_4

Komatsu Report (Integrated Report)

<https://www.komatsu.jp/en/ir/library/annual>

IR-Day

<https://www.komatsu.jp/en/ir/library/results/2022>

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.
