Business overview

Komatsu's business consists of three main business segments. These segments are the construction, mining and utility equipment segment (¥3,806.0 billion in segment sales in fiscal 2025), the retail finance segment (¥126.1 billion), and the industrial machinery and others segment (¥238.8 billion).

Business outline of Komatsu

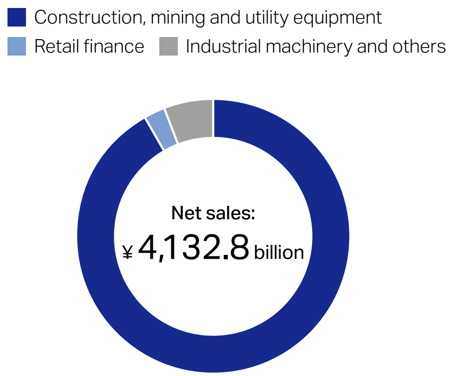
Komatsu is a full-line manufacturer of construction and mining equipment with a broad lineup ranging from small to large products. In the construction, mining and utility equipment segment, we develop, manufacture, sell, and service equipment to meet diverse customer needs. Our main products are construction equipment used in construction and civil engineering, including small and medium-sized hydraulic excavators, bulldozers, wheel loaders, forklifts, and forestry machinery, as well as mining equipment used at mine jobsites, including large dump trucks and ultra-large hydraulic excavators. The sales ratio outside Japan amounted to 92% in fiscal 2025. Sales composition by region is diverse, led mainly by the large markets in North America and Latin America.

The retail finance segment offers installment payments, leases, and other forms of financing to support customers purchasing construction and mining equipment.

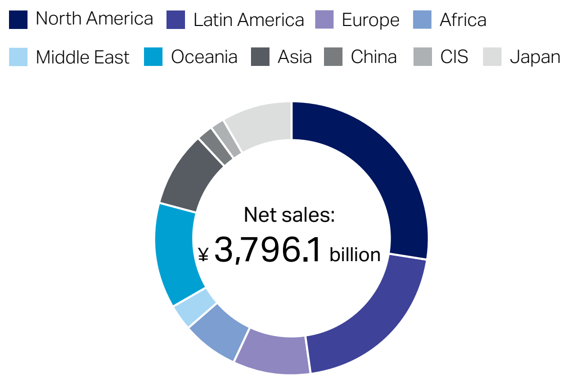
The industrial machinery and others segment develops, manufactures, sells, and services presses, sheet-metal machinery, and machine tools for the automotive industry, as well as excimer lasers and temperature control equipment for the semiconductor industry.

FY2025 results

Breakdown of net sales by segment



Construction, mining and utility equipment sales by region (based on external customers, after elimination of intersegment transactions)

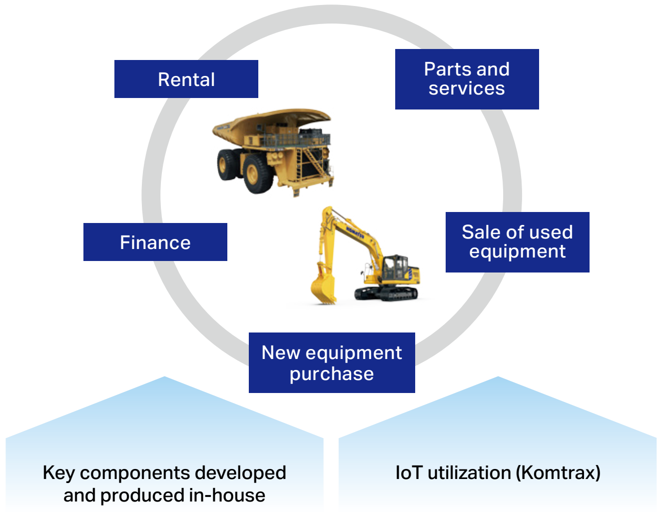


Construction and mining equipment business model

Komatsu centrally manages development, production, operation, repair history, and other information on construction and mining equipment through a serial number management platform. We provide services and solutions throughout the entire lifecycle of equipment, from when customers purchase equipment until they sell it as used equipment. In this way, we develop a value chain business that supports customers' equipment management. Specifically, we offer a wide range of support, including proposals on the most suitable equipment acquisition method, operator training to improve fuel efficiency and productivity, periodic maintenance, sales of spare parts, remote monitoring of equipment operation, repairs, and proposals on the optimal timing for overhauls, including disassembly, inspection, and repair.

Komatsu develops and produces key components in-house and leverages our strength in utilizing the abundant machinery operational data obtained through Komtrax, the equipment operation management system. By providing solutions that help solve customer issues, we will further expand our aftermarket (parts and services) business.

Construction and mining equipment value chain business model



Business overview

Construction, mining and utility equipment

Construction equipment

In developed countries, against the backdrop of social issues such as climate change and labor shortages, Komatsu provides electrified construction equipment and construction equipment equipped with automation and remote operation functions that support construction efficiency. We also offer Smart Construction, a digital solution that visualizes entire construction jobsites and supports construction process optimization. The PC200i-12 ICT hydraulic excavator, launched in 2024, comes equipped with standard 3D construction functionality. By accelerating the spread and expansion of ICT construction, it contributes to improved productivity at construction jobsites.

In emerging countries, customers focus on machine robustness, cost, and fuel efficiency, while also having diverse needs depending on applications and work content. To meet these various customer needs, we have introduced a two-line strategy featuring the CE Model, developed mainly for light-duty work such as urban civil engineering, and standard models.

Komatsu is also conducting research and development on diverse power sources in response to carbon neutrality. In February 2026, we conducted Japan's first demonstration test of a medium-sized hydraulic excavator equipped with a hydrogen fuel cell at a customer construction jobsite.

Web On-site PoC test of a hydrogen fuel cell-powered hydraulic excavator

Mining equipment

Major markets include countries rich in natural resources, such as North America, Latin America, Oceania, Africa, and Indonesia. At mine jobsites, equipment must operate continuously for long hours in harsh environments. To improve safety and productivity, Komatsu launched the commercial operation of Autonomous Haulage System (AHS) for mining in 2008. In 2026, we exceeded a deployment of 1,000 ultra-class autonomous haul trucks equipped with AHS, the first such achievement in the world. In addition, as a solution to optimize entire mine jobsites, Komatsu is promoting the commercial operation of the Open Technology Platform, a comprehensive framework that connects vehicles, mine sites, and entire mining operations and enables data analysis. The lifecycle of mining equipment is 10 to 15 years long, and customers choose equipment based on product quality, durability, and the services offered to ensure stable operation. Komatsu is bringing distributors under direct management and strengthening our aftermarket business.

As part of carbon neutrality initiatives at mine jobsites, in July 2025 the world's first operation began of a power agnostic truck, which enables diverse power sources such as diesel, batteries, and hydrogen to be swapped on the same vehicle platform. We are also accelerating expansion of our product lineup in anticipation of growing demand for underground mining methods for copper and gold.

Web Komatsu reaches 1,000 cumulative AHS-equipped autonomous haul trucks

Main products

Construction equipment


ICT hydraulic excavators


ICT bulldozers


Wheel loaders

Mining equipment

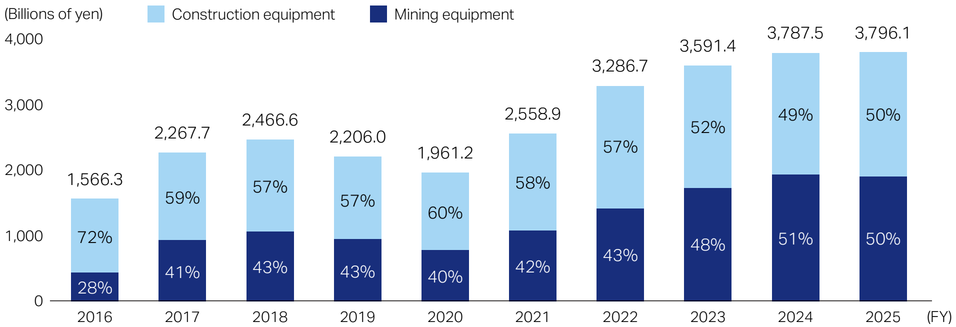

Electric dump truck


Electric rope shovels


LHDs (Load-Haul-Dump)

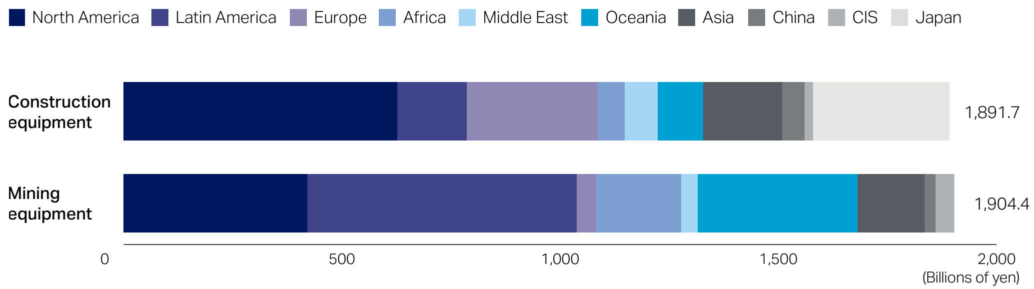
Construction, mining and utility equipment sales (by construction equipment and mining equipment)

Mining equipment has grown to account for half of sales in the construction, mining and utility equipment business.



Construction, mining and utility equipment business sales composition by region (FY2025)

Construction equipment is mainly sold in North America, Europe, and Japan, while mining equipment is mainly sold in North America, Latin America, Oceania, Africa, and Asia.



Business overview

Construction, mining and utility equipment

Aftermarket business (parts and services)

Our aftermarket business contributes to optimizing customers' equipment operation and lifecycle costs after the sale of equipment through spare parts and attachment sales, periodic maintenance, and overhauls, including disassembly, inspection, and repair. In addition to expanding extended warranty contracts with maintenance and our lineup of attachments, we are improving added value across the entire value chain after new equipment sales on a global basis through predictive maintenance using data from Komtrax and AI-based troubleshooting.

The remanufacturing (reman) business is also a core part of the aftermarket business. In this business, components are collected from construction and mining equipment that has operated for long hours, remanufactured at plants to like-new condition, and offered at a more reasonable price than new components. This not only makes them more affordable but also helps reduce environmental impact through resource reuse.

This circular business leverages Komatsu's strength in developing and producing key components in-house. By understanding the deterioration condition of collected components, we also connect this insight to technological development and service improvement. In 2026, Komatsu acquired the reman business of SRC of Lexington in the U.S. to strengthen global supply capabilities for reman products.

Parts and services account for 52% of sales in the construction, mining and utility equipment business in fiscal 2025. In mining equipment in particular, parts and services account for approximately two-thirds of sales. Because this business is highly profitable and is expected to generate stable earnings according to equipment population and operation hours, we will continue strengthening it to build a profit structure that is less susceptible to fluctuations in demand for new equipment.

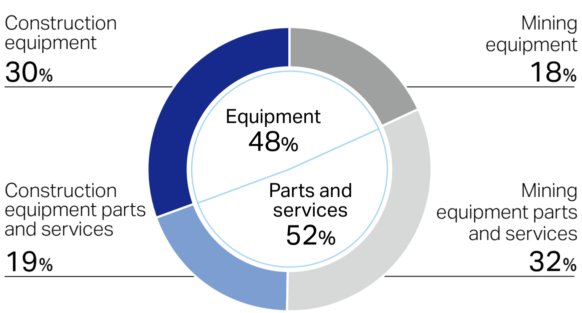
Main products

Consumable parts (tooth)

Service at distributor

Construction, mining and utility equipment sales (equipment and aftermarket ratio)

Aftermarket sales account for more than half of sales in the construction, mining and utility equipment business.



Forestry machinery

Major markets include Europe, mainly the Nordics, as well as North America, Brazil, and Indonesia. Demand for timber is rising as the world population grows, and environmental afforestation is also increasing to absorb CO_2. There is also a growing need for mechanization in processes such as tree planting, silviculture, and extraction from the perspectives of safety and efficiency in operations. Against this backdrop, Komatsu positions the forestry machinery business as a business that contributes to sustainable forest management and circular forestry, and is working to expand the business. In addition to forestry mechanization, we will provide Smart Forestry, a digital solution that utilizes data on forests, machinery, and operations, to help improve safety and productivity at customer jobsites and achieve carbon neutrality.

In addition, we used impact accounting to estimate the monetary value of the non-financial benefits of this business. The analysis suggests that the business may have generated approximately ¥1.27 trillion in social impact worldwide.

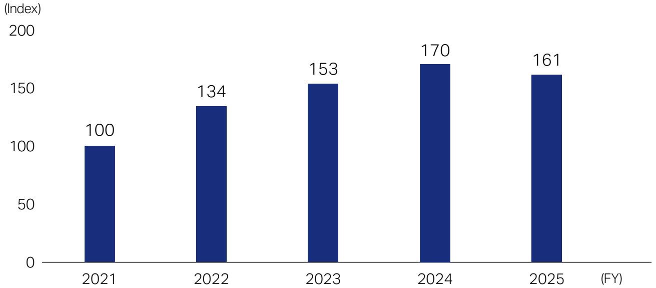
Main products

Harvesters

Forwarders

Forestry machinery sales

Index: FY2021 = 100; actual exchange rate

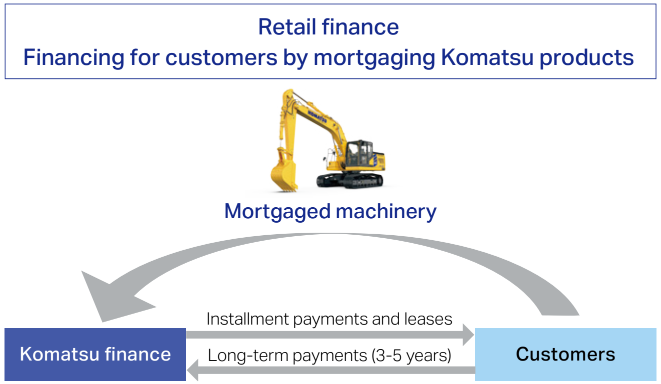


Business overview

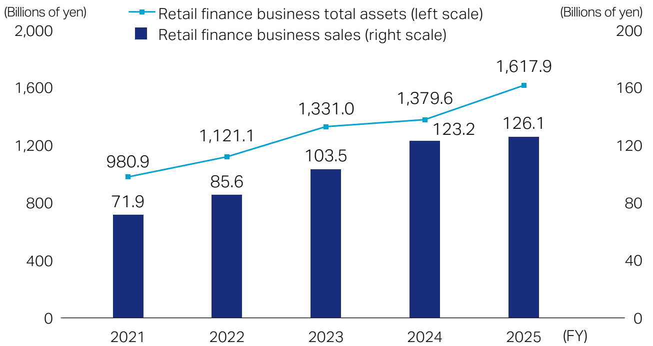
Retail finance

Retail finance offers financing options in the form of installment payments, leases, and other methods to customers looking to purchase construction and mining equipment. We leverage the manufacturer strengths of Komtrax and resale capability of used equipment to expand the regions in which we operate, particularly in North America. Currently, we have 13 finance subsidiaries across the world that cover approximately 70% of global demand, with assets totaling ¥1.6 trillion. We strive to maintain profitability and soundness based on ROA, net debt-to-equity ratio, and other indicators, while actively expanding regional coverage in Asia and Africa, where future growth is expected, and supporting the forestry machinery business.

Retail finance business model



Retail finance business sales



Industrial machinery and others

Semiconductor manufacturing equipment

GIGAPHOTON Inc. develops, manufactures, sells, and services excimer lasers used as light sources for lithography systems in semiconductor manufacturing equipment. KELK Ltd. develops, manufactures, and sells thermoelectric devices and temperature control devices used in semiconductor manufacturing equipment. In fiscal 2024, KELK launched the world's first sensor device for monitoring production equipment that requires no external power supply or battery and achieves a 500-meter communication range by using this thermoelectric technology.

The semiconductor market is expected to grow over the medium to long term as the world transitions to a digital society driven by demand from generative AI-related fields, data centers, automotive control systems including Advanced Driver-Assistance Systems (ADAS), high-speed 5G communications base stations, and medical equipment.

Both companies strive to meet the needs of a growing market and increase the competitiveness of their excimer lasers and temperature control equipment while maintaining high profitability and expanding their businesses.

Main products

Semiconductor manufacturing equipment

Excimer lasers (GIGAPHOTON)

Battery-free thermoelectric energy-harvesting vibration sensor devices (KELK)

Presses, sheet-metal machinery and machine tools

Large-size AC servo presses (Komatsu Industries)

Processing machine for the gigacasting method (Komatsu NTC)

Presses, sheet-metal machinery, and machine tools

Komatsu Industries Corp. and Komatsu NTC Ltd. provide products and solutions that support customer production sites, mainly in the automotive industry.

Komatsu Industries Corp. develops, sells, and services a wide variety of presses and sheet-metal machinery, ranging from small to large models. Since 2009, the company has equipped machines with Komtrax for industrial machinery as a standard feature and remotely manages machine operating conditions. Press machines operate for approximately 30 years. To support predictive maintenance, Komatsu Industries analyzes data collected through Komtrax for industrial machinery, identifies component deterioration in drive components, and visualizes remaining service life. In 2018, the company developed an AI-based predictive maintenance system and began offering a service that analyzes control data collected through Komtrax for industrial machinery using AI to estimate with high accuracy components likely to require repair or replacement.

Komatsu NTC Ltd. develops, designs, manufactures, sells, and services machine tools such as machining centers and grinders, automation lines, battery manufacturing-related equipment such as laser tab molding machines, wire saws for silicon wafer processing for the semiconductor industry, and image processing-related equipment. In fiscal 2024, Komatsu NTC developed a dedicated processing machine for aluminum components formed using the gigacasting method, which is seeing wider adoption in electric vehicle manufacturing.

Industrial machinery and others business sales