



Komatsu Ltd.

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**Consolidated Business Results for Nine Months of the Fiscal Year Ending
March 31, 2024 (U.S. GAAP)**

1. Results for Nine Months Ended December 31, 2023

(Amounts are rounded to the nearest million yen)

(1) Consolidated Financial Highlights

Millions of yen except per share amounts

	Nine Months ended December 31, 2023	Nine Months ended December 31, 2022	Changes Increase (Decrease)	
	[A]	[B]	[A-B]	[(A-B)/B]
Net sales	2,794,990	2,539,232	255,758	10.1%
Operating income	453,421	346,599	106,822	30.8%
Income before income taxes and equity in earnings of affiliated companies	430,271	339,807	90,464	26.6%
Net income attributable to Komatsu Ltd.	304,267	231,911	72,356	31.2%
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	¥321.71	¥245.30	¥76.41	
Diluted	¥321.69	¥245.26	¥76.43	

Note: Comprehensive income for nine months ended December 31, 2023 and 2022

2023: 461,991 millions of yen, up 51.1% from 2022

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

(2) Consolidated Financial Position

Millions of yen except per share amounts

	As of December 31, 2023	As of March 31, 2023
Total assets	5,369,420	4,875,847
Total equity	2,989,748	2,677,955
Komatsu Ltd. shareholders' equity	2,836,319	2,539,641
Komatsu Ltd. shareholders' equity ratio	52.8%	52.1%
Komatsu Ltd. shareholders' equity per share (Yen)	¥2,998.31	¥2,685.76

2. Dividends

(For the fiscal years ended March 31, 2023 and ending March 31, 2024)

Yen

	The entire FY ending March 31, 2024		The entire FY ended March 31, 2023
	Results	2024 Projections	
First quarter period			
Second quarter period	72.00		64.00
Third quarter period			
Year-end		72.00	75.00
Total		144.00	139.00

Note: Changes in the latest projected cash dividend as of January 30, 2024: None

3. Projections for the Fiscal Year Ending March 31, 2024

(From April 1, 2023 to March 31, 2024)

Millions of yen except per share amounts

	2024	
		Changes Increase (Decrease)
Net sales	3,660,000	3.3%
Operating income	548,000	11.7%
Income before income taxes and equity in earnings of affiliated companies	509,000	6.8%
Net income attributable to Komatsu Ltd.	340,000	4.2%
Net income attributable to Komatsu Ltd. per share - Basic (Yen)	¥359.48	

Notes: 1) Changes in the latest projected consolidated business results as of January 30, 2024: 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: Applicable

Addition: None

Exclusion: 1 company

Komatsu (Shandong) Construction Machinery Corp.

Note: See (4) Others on page 11 for more details.

(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.: Applicable

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

Note: See (4) Others on page 11 for more details.

(4) Number of common shares outstanding

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

As of December 31, 2023: 973,810,620 shares

As of March 31, 2023: 973,450,930 shares

2) The numbers of treasury stock were as follows:

As of December 31, 2023: 27,837,686 shares

As of March 31, 2023: 27,856,631 shares

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

Nine months ended December 31, 2023: 944,936,871 shares

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

Notes:

- This report is not subject to quarterly review by CPA or audit firm.

- Explanations concerning the appropriate use of the forecasts for results of operations and other special matters. The aforementioned forecasts, plans and projections for results of operations in this report are determined by top management of the Company to be reasonable, based on the currently available information. Please be advised that actual results may differ significantly from the forecasts, plans or projections in this report, due to a variety of changing factors. Such factors may include economic conditions and changes in demand for products in major markets, fluctuations on the foreign exchange market, and changes in regulations, accounting standards and practices in Japan and abroad.

[Reference]

Results for Three Months ended December 31, 2023

Millions of yen except per share amounts

	Three Months ended December 31, 2023	Three Months ended December 31, 2022	Changes Increase (Decrease)	
	[A]	[B]	[A-B]	[(A-B)/B]
Net sales	971,996	920,497	51,499	5.6%
Operating income	156,445	134,965	21,480	15.9%
Income before income taxes and equity in earnings of affiliated companies	142,251	112,048	30,203	27.0%
Net income attributable to Komatsu Ltd.	98,719	69,343	29,376	42.4%
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	¥104.36	¥73.33	¥31.03	
Diluted	¥104.35	¥73.32	¥31.03	

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Management Performance and Financial Conditions

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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*”. Under this management plan for the target fiscal year ending March 31, 2025, Komatsu upholds three pillars of growth strategies: 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, 2023) of the fiscal year ending March 31, 2024, the second year of the mid-term management plan, consolidated net sales totaled JPY 2,795.0 billion, an increase of 10.1% from the corresponding period a year ago. In the construction, mining and utility equipment business, while demand for construction equipment decreased mainly in Latin America, Europe and Asia, it remained steady in North America. Demand for mining equipment remained strong. Sales increased from the corresponding period a year ago, partly supported by expanded parts sales and service revenues which reflect high machine utilization, centering on mining equipment, improved selling prices in most regions of the world, and the Japanese yen’s depreciation. In the industrial machinery and others business, sales increased from the corresponding period a year ago, mainly due to increased sales of large presses for the automobile manufacturing industry.

With respect to profits for the nine-month period under review, operating income increased by 30.8% from the corresponding period a year ago, to JPY 453.4 billion. This was supported by improved selling prices in most regions of the world, and the Japanese yen’s depreciation, which more than offset the adverse effects of increased fixed costs and material prices. The operating income ratio increased by 2.6 percentage points to 16.2%. Income before income taxes and equity in earnings of affiliated companies increased by 26.6% to JPY 430.3 billion. Net income attributable to Komatsu Ltd. increased by 31.2% to JPY 304.3 billion.

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.

[Consolidated Financial Highlights]

Millions of yen

	Nine Months ended December 31, 2023 1USD=JPY143.4 1EUR=JPY155.0 1AUD=JPY94.0	Nine Months ended December 31, 2022 1USD=JPY135.6 1EUR=JPY140.0 1AUD=JPY93.2	Changes Increase (Decrease)
	[A]	[B]	[(A-B)/B]
Net sales	2,794,990	2,539,232	10.1%
Construction, Mining and Utility Equipment	2,625,803	2,369,638	10.8%
Retail Finance	74,693	63,567	17.5%
Industrial Machinery and Others	131,493	126,857	3.7%
Elimination	(36,999)	(20,830)	-
Segment profit	451,210	346,168	30.3%
Construction, Mining and Utility Equipment	429,873	309,549	38.9%
Retail Finance	18,699	21,242	(12.0%)
Industrial Machinery and Others	5,682	15,644	(63.7%)
Corporate & elimination	(3,044)	(267)	-
Operating income	453,421	346,599	30.8%
Income before income taxes and equity in earnings of affiliated companies	430,271	339,807	26.6%
Net income attributable to Komatsu Ltd.	304,267	231,911	31.2%

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 increased by 10.8% from the corresponding period a year ago, to JPY 2,625.8 billion. Segment profit increased by 38.9% to JPY 429.9 billion.

Concerning the "Accelerate growth by means of innovation" strategy, one of the growth strategies in the mid-term management plan, Komatsu increased the total number of Autonomous Haulage System (AHS) mining trucks in operation to 690 units as of December 31, 2023. With respect to carbon neutralization of construction and mining equipment, Komatsu acquired a U.S. battery maker that develops and manufactures a wide variety of battery packs, including those for commercial and industrial vehicles, as part of its component strategy for the future market for the electrified construction equipment. In the fourth step of the first year of market introduction of electrified construction equipment, Komatsu also worked to launch the PC138E-11, a 13-ton class electric excavator powered by a lithium-ion battery, to the Japanese market. With regard to hydrogen utilization, Komatsu started joint development of a hydrogen fuel cell power module for the "930E" ultra-class haul truck with a U.S. major car manufacturer.

For the "Maximize earnings power" strategy, with the aim of achieving safe and highly productive field operations, Komatsu acquired an Australian fleet management system provider that develops and markets fleet management systems for small to mid-tier miners, contractors, and quarries. And Komatsu began Reman (remanufacturing) business of key components for hybrid hydraulic excavators in Japan to strengthen its value chain business.

To the "Enhance corporate resilience" strategy, Komatsu started production of dump trucks at its plant in China in December 2023 to export to Central Asian countries, thereby further strengthening its global cross-sourcing operation.

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

Millions of yen

	Nine Months ended December 31, 2023	Nine Months ended December 31, 2022	Changes	
			Increase (Decrease)	
	[A]	[B]	[A-B]	[(A-B)/B]
Japan	245,825	226,686	19,139	8.4%
North America	716,785	607,952	108,833	17.9%
Latin America	480,328	403,745	76,583	19.0%
Americas	1,197,113	1,011,697	185,416	18.3%
Europe	231,837	216,277	15,560	7.2%
CIS	47,468	94,939	(47,471)	(50.0%)
Europe & CIS	279,305	311,216	(31,911)	(10.3%)
China	51,839	62,591	(10,752)	(17.2%)
Asia*	327,135	333,966	(6,831)	(2.0%)
Oceania	268,790	227,993	40,797	17.9%
Asia* & Oceania	595,925	561,959	33,966	6.0%
Middle East	81,814	61,146	20,668	33.8%
Africa	155,716	127,894	27,822	21.8%
Middle East & Africa	237,530	189,040	48,490	25.7%
Total	2,607,537	2,363,189	244,348	10.3%

Note: *Excluding Japan and China

Komatsu's operations by region are described below.

Japan

For the nine-month period under review, demand for new equipment remained flat 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 bottomed out in the housing sector and it remained steady in the rental industry, infrastructure development and the energy-related sector. Also against the backdrop of strong demand for mining equipment, the Japanese yen's depreciation and improved selling prices, sales increased from the corresponding period a year ago. In Latin America, while demand for construction equipment slowed down due mainly to economic uncertainty, that for mining equipment remained strong. Reflecting increased parts sales and service revenues of mining equipment, as well as the Japanese yen's depreciation and improved selling prices, sales increased from the corresponding period a year ago.

Europe and CIS

In Europe, demand for construction equipment decreased in the major markets such as the United Kingdom and Germany, as well as in Italy and other countries, as affected by raising interest rates and high energy prices. Nevertheless, sales increased from the corresponding period a year ago, reflecting the Japanese yen's depreciation and improved selling prices. In CIS, sales decreased sharply from the corresponding period a year ago, as affected by the restrictions in the supply chain, as well as the financial and economic conditions resulting from the situation in Ukraine.

China

Demand remained slack, as affected by stagnant economic activities resulting especially from sluggish real estate market conditions. Sales decreased from the corresponding period a year ago.

Asia and Oceania

In Asia, demand for mining equipment in Indonesia remained steady. However, demand for construction equipment decreased mainly in Indonesia, Thailand and Vietnam, as primarily affected by delays in the execution of public works budgets and economic uncertainty. As a result, sales decreased from the corresponding period a year ago. In Oceania, demand for mining and construction equipment remained steady. Supported also by increased parts sales and service revenues, sales increased from the corresponding period a year ago.

Middle East and Africa

In the Middle East, demand for construction equipment remained steady, mainly supported by projects in Saudi Arabia, the United Arab Emirates, and other oil-producing countries, as well as post-earthquake reconstruction needs in Turkey. As a result, sales expanded sharply from the corresponding period a year ago. In Africa, sales increased from the corresponding period a year ago, supported by not only steady demand for mining and construction equipment, but also increased parts sales and service revenues.

Retail Finance

For the nine-month period under review, revenues increased by 17.5% from the corresponding period a year ago, to JPY 74.7 billion, reflecting increased interest rates and the Japanese yen's depreciation.

Segment profit decreased by 12.0% to JPY 18.7 billion, mainly affected by the absence of a gain on reversal of allowance for doubtful accounts which was recorded in North America for the corresponding period a year ago.

Industrial Machinery and Others

For the nine-month period under review, with respect to presses, sheet-metal machines, and machine tools for the automobile manufacturing industry, sales increased by 3.7% from the corresponding period a year ago, to JPY 131.5 billion, mainly supported by increased sales of large presses. Segment profit amounted to JPY 5.7 billion, a decrease of 63.7%, as affected by decreased demand of semiconductors worldwide in the excimer laser-related business.

Gigaphoton Inc. has delivered the "G300K" a KrF excimer laser for ultra-fine ablation processing to semiconductor package substrate manufacturer for the first time as manufacturing equipment. Gigaphoton has developed the G300K by applying its expertise in semiconductor lithography lightsources it has cultivated over the years.

(2) Financial Conditions

As of December 31, 2023, total assets increased by JPY 493.6 billion from the previous fiscal year-end, to JPY 5,369.4 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 153.6 billion from the previous fiscal year-end, to JPY 1,207.4 billion. Komatsu Ltd. shareholders' equity increased by JPY 296.7 billion from the previous fiscal year-end, to JPY 2,836.3 billion. As a result, Komatsu Ltd. shareholders' equity ratio increased by 0.7 percentage points from the previous fiscal year-end, to 52.8%.

For the nine-month period under review, net cash provided by operating activities totaled JPY 278.5 billion, an increase of JPY 195.4 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 160.6 billion, an increase of JPY 29.7 billion, mainly due to the purchase of fixed assets. Net cash used in financing activities amounted to JPY 62.8 billion (as compared to JPY 61.1 billion provided for the corresponding period a year ago), mainly due to the payment of cash dividends. After adding the effects of foreign exchange fluctuations to the total amount of each cash flow, as of December 31, 2023, cash and cash equivalents totaled JPY 343.5 billion, an increase of JPY 53.5 billion from the previous fiscal year-end.

(3) Projection for the Fiscal Year Ending March 31, 2024

(From April 1, 2023 to March 31, 2024)

Komatsu makes no change in the projection of October 27, 2023, concerning consolidated business results for the fiscal year ending March 31, 2024, which are shown on page 2 of this report.

(4) Others

1) Changes in important subsidiaries during the nine-month period under review:

Komatsu (Shandong) Construction Machinery Corp. was absorbed and merged by Komatsu Machinery Manufacturing (Shandong) Co. Ltd. as of April 1, 2023.

As a result, Komatsu (Shandong) Construction Machinery Corp. was excluded from the scope of consolidation.

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.:

From the fiscal year ending March 31, 2024, Komatsu has adopted the Accounting Standards Update (“ASU”) 2016-13 “Financial Instruments —Credit Losses: Measurement of Credit Losses on Financial Instruments”. This update requires an entity to recognize credit losses for many financial assets based on current expected credit loss model instead of incurred loss model. The new model requires an entity to immediately recognize estimated credit losses expected to occur over the remaining life of the financial assets which are within the scope of this update. This update has been adopted under the modified retrospective approach through a cumulative effect adjustment to retained earnings at the beginning of the initial application period. Consequently, Komatsu reduced JPY 1,634 million as an adjustment of cumulative effect from retained earnings as of April 1, 2023.

From the fiscal year ending March 31, 2024, Komatsu has adopted ASU 2022-04 “Disclosure of Supplier Finance Program Obligations”. This update requires an entity that uses a supplier finance program in connection with the purchase of goods and services to disclose the key terms of the program, information about obligations outstanding at the end of the reporting period and a rollforward of those obligations during the reporting period. The adoption of this update had no impact on Komatsu’s financial position and results of operations.

b) Changes in other matters except for a) above: None

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.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

Assets

Millions of yen

	As of December 31, 2023		As of March 31, 2023	
		Ratio (%)		Ratio (%)
Current assets				
Cash and cash equivalents	¥ 343,456		¥ 289,975	
Trade notes and accounts receivable, net	1,126,805		1,111,913	
Inventories	1,459,671		1,227,208	
Other current assets	215,625		207,479	
Total current assets	3,145,557	58.6	2,836,575	58.2
Long-term trade receivables, net	629,282	11.7	569,691	11.7
Investments				
Investments in and advances to affiliated companies	64,627		52,325	
Investment securities	10,729		10,556	
Other	3,730		3,418	
Total investments	79,086	1.5	66,299	1.4
Property, plant and equipment	885,537	16.4	836,442	17.1
- less accumulated depreciation and amortization				
Operating lease right-of-use assets	64,005	1.2	61,052	1.3
Goodwill	251,168	4.7	207,060	4.2
Other intangible assets	166,102	3.1	167,292	3.4
- less accumulated amortization				
Deferred income taxes and other assets	148,683	2.8	131,436	2.7
Total	¥ 5,369,420	100.0	¥ 4,875,847	100.0

Liabilities and Equity

Millions of yen

	As of December 31, 2023		As of March 31, 2023	
		Ratio (%)		Ratio (%)
Current liabilities				
Short-term debt	¥ 498,431		¥ 310,738	
Current maturities of long-term debt	130,999		176,835	
Trade notes, bills and accounts payable	321,882		362,360	
Income taxes payable	54,035		64,495	
Current operating lease liabilities	17,741		17,878	
Other current liabilities	498,952		439,355	
Total current liabilities	1,522,040	28.3	1,371,661	28.1
Long-term liabilities				
Long-term debt	577,971		566,189	
Liability for pension and retirement benefits	92,304		90,348	
Long-term operating lease liabilities	48,769		44,913	
Deferred income taxes and other liabilities	138,588		124,781	
Total long-term liabilities	857,632	16.0	826,231	17.0
Total liabilities	2,379,672	44.3	2,197,892	45.1
Komatsu Ltd. shareholders' equity				
Common stock	70,336		69,660	
Capital surplus	136,515		135,886	
Retained earnings:				
Appropriated for legal reserve	48,868		48,508	
Unappropriated	2,277,972		2,114,789	
Accumulated other comprehensive income (loss)	351,768		219,951	
Treasury stock	(49,140)		(49,153)	
Total Komatsu Ltd. shareholders' equity	2,836,319	52.8	2,539,641	52.1
Noncontrolling interests	153,429	2.9	138,314	2.8
Total equity	2,989,748	55.7	2,677,955	54.9
Total	¥ 5,369,420	100.0	¥ 4,875,847	100.0

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

Nine months ended December 31, 2023 and 2022

Consolidated Statements of Income

Millions of yen except per share amounts

	Nine Months ended December 31, 2023		Nine Months ended December 31, 2022	
		Ratio (%)		Ratio (%)
Net sales	¥ 2,794,990	100.0	¥ 2,539,232	100.0
Cost of sales	1,902,172	68.1	1,791,611	70.6
Selling, general and administrative expenses	441,608	15.8	401,453	15.8
Other operating income, net	2,211	0.1	431	0.0
Operating income	453,421	16.2	346,599	13.6
Other income (expenses), net				
Interest and dividend income	14,924	0.5	8,243	0.3
Interest expense	(39,658)	(1.4)	(21,882)	(0.9)
Other, net	1,584	0.1	6,847	0.3
Total	(23,150)	(0.8)	(6,792)	(0.3)
Income before income taxes and equity in earnings of affiliated companies	430,271	15.4	339,807	13.4
Income taxes	114,155	4.1	97,226	3.8
Income before equity in earnings of affiliated companies	316,116	11.3	242,581	9.6
Equity in earnings of affiliated companies	5,580	0.2	3,110	0.1
Net income	321,696	11.5	245,691	9.7
Less: Net income attributable to noncontrolling interests	17,429	0.6	13,780	0.5
Net income attributable to Komatsu Ltd.	¥ 304,267	10.9	¥ 231,911	9.1
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	¥ 321.71		¥ 245.30	
Diluted	¥ 321.69		¥ 245.26	

Consolidated Statements of Comprehensive Income

Millions of yen

	Nine Months ended December 31, 2023	Nine Months ended December 31, 2022
Net income	¥ 321,696	¥ 245,691
Other comprehensive income, for the period, net of tax		
Foreign currency translation adjustments	139,056	54,880
Pension liability adjustments	600	436
Net unrealized holding gains on derivative instruments	639	4,747
Total	140,295	60,063
Comprehensive income	461,991	305,754
Less: Comprehensive income attributable to noncontrolling interests	25,907	15,290
Comprehensive income attributable to Komatsu Ltd.	¥ 436,084	¥ 290,464

Three months ended December 31, 2023 and 2022

Consolidated Statements of Income

Millions of yen except per share amounts

	Three Months ended December 31, 2023		Three Months ended December 31, 2022	
		Ratio (%)		Ratio (%)
Net sales	¥ 971,996	100.0	¥ 920,497	100.0
Cost of sales	664,974	68.4	644,161	70.0
Selling, general and administrative expenses	153,755	15.8	142,919	15.5
Other operating income, net	3,178	0.3	1,548	0.2
Operating income	156,445	16.1	134,965	14.7
Other income (expenses), net				
Interest and dividend income	5,737	0.6	3,231	0.4
Interest expense	(14,655)	(1.5)	(10,990)	(1.2)
Other, net	(5,276)	(0.5)	(15,158)	(1.6)
Total	(14,194)	(1.5)	(22,917)	(2.5)
Income before income taxes and equity in earnings of affiliated companies	142,251	14.6	112,048	12.2
Income taxes	39,516	4.1	38,359	4.2
Income before equity in earnings of affiliated companies	102,735	10.6	73,689	8.0
Equity in earnings of affiliated companies	1,747	0.2	1,038	0.1
Net income	104,482	10.7	74,727	8.1
Less: Net income attributable to noncontrolling interests	5,763	0.6	5,384	0.6
Net income attributable to Komatsu Ltd.	¥ 98,719	10.2	¥ 69,343	7.5
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	¥ 104.36		¥ 73.33	
Diluted	¥ 104.35		¥ 73.32	

Consolidated Statements of Comprehensive Income

Millions of yen

	Three Months ended December 31, 2023	Three Months ended December 31, 2022
Net income	¥ 104,482	¥ 74,727
Other comprehensive income (loss), for the period, net of tax		
Foreign currency translation adjustments	(64,631)	(193,103)
Pension liability adjustments	207	157
Net unrealized holding gains on derivative instruments	1,404	4,785
Total	(63,020)	(188,161)
Comprehensive income (loss)	41,462	(113,434)
Less: Comprehensive income (loss) attributable to noncontrolling interests	2,246	(4,489)
Comprehensive income (loss) attributable to Komatsu Ltd.	¥ 39,216	¥ (108,945)

(3) Consolidated Statements of Cash Flows

Millions of yen

	Nine Months ended December 31, 2023	Nine Months ended December 31, 2022
Operating activities		
Net income	¥ 321,696	¥ 245,691
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	117,437	111,578
Deferred income taxes	(3,777)	2,740
Impairment loss and net loss (gain) on valuation of investment securities	291	(100)
Net gain on sale of fixed assets	(2,023)	(433)
Loss on disposal of fixed assets	2,007	1,538
Pension and retirement benefits, net	(1,288)	(360)
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	22,345	(24,670)
Increase in inventories	(154,227)	(243,783)
Decrease in trade payables	(56,822)	(5,967)
Decrease in income taxes payable	(11,860)	(13,045)
Other, net	44,704	9,883
Net cash provided by operating activities	278,483	83,072
Investing activities		
Capital expenditures	(152,009)	(134,912)
Proceeds from sale of fixed assets	13,554	13,885
Purchases of investment securities	(178)	(1,875)
Proceeds from sale of subsidiaries and businesses, net of cash disposed	13,716	12,295
Acquisition of subsidiaries and equity investees, net of cash acquired	(39,206)	(18,000)
Other, net	3,494	(2,300)
Net cash used in investing activities	(160,629)	(130,907)
Financing activities		
Proceeds from debt issued (Original maturities greater than three months)	318,315	566,284
Payment on debt (Original maturities greater than three months)	(347,608)	(471,726)
Short-term debt, net (Original maturities three months or less)	116,261	90,332
Dividends paid	(139,090)	(113,505)
Proceeds from issuance of subsidiary's shares	-	2,012
Other, net	(10,684)	(12,311)
Net cash provided by (used in) financing activities	(62,806)	61,086
Effect of exchange rate change on cash and cash equivalents	(1,567)	5,524
Net increase in cash and cash equivalents	53,481	18,775
Cash and cash equivalents, beginning of year	289,975	315,360
Cash and cash equivalents, end of period	¥ 343,456	¥ 334,135

(4) Note to the Going Concern Assumption

None

(5) Business Segment Information

1) Information by Operating Segments

Nine Months ended December 31, 2023 and 2022

(For Nine Months ended December 31, 2023)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	2,607,537	58,215	129,238	2,794,990	-	2,794,990
Intersegment	18,266	16,478	2,255	36,999	(36,999)	-
Total	2,625,803	74,693	131,493	2,831,989	(36,999)	2,794,990
Segment profit	429,873	18,699	5,682	454,254	(3,044)	451,210

(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

Three Months ended December 31, 2023 and 2022

(For Three Months ended December 31, 2023)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	904,739	21,345	45,912	971,996	-	971,996
Intersegment	13,480	5,838	547	19,865	(19,865)	-
Total	918,219	27,183	46,459	991,861	(19,865)	971,996
Segment profit	149,084	5,710	1,268	156,062	(2,795)	153,267

(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

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, logistics, and solution business

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 are as follows:

(For Nine Months ended December 31, 2023 and 2022)

Millions of yen

	Japan	Americas	Europe & CIS	China	Asia* & Oceania	Middle East & Africa	Total
FY2023	306,329	1,258,437	296,363	68,492	626,460	238,909	2,794,990
FY2022	286,724	1,066,574	327,260	75,385	593,466	189,823	2,539,232

Note: * Excluding Japan and China

(For Three Months ended December 31, 2023 and 2022)

Millions of yen

	Japan	Americas	Europe & CIS	China	Asia* & Oceania	Middle East & Africa	Total
FY2023	109,645	444,145	88,731	29,280	207,059	93,136	971,996
FY2022	105,046	393,590	111,830	27,426	212,792	69,813	920,497

Note: * Excluding Japan and China

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

None

(end)