



Outline of Komatsu

December 2019

Takeshi Horikoshi

Executive Officer and CFO

Komatsu Ltd.

- 1. Meetings with individual shareholders**
- 2. Corporate profile**
- 3. Business results for the first six-month period of FY2019 and full-year projections**
- 4. Dividend, stock price and IR efforts**

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.

1 . Meetings with individual shareholders

Communication with individual shareholders in different regions every year

1. Meetings with individual shareholders

- President explains Komatsu's current performance.
- Held continuously in different regions since FY1997.
- 47 meetings to date, participated in by over 15,000 shareholders (cumulative basis).



In Hiroshima City in December 2018

Locations of the individual shareholders meeting					
1997	Komatsu, Hirakata	2005	Kanazawa, Osaka	2013	Nagano, Morioka
1998	Oyama, Gifu	2006	Oyama, Sendai	2014	Ehime, Yamaguchi
1999	Oiso, Okayama	2007	Nagoya, Hiroshima	2015	Nara, Fukuoka
2000	Sapporo, Sendai, Fukuoka,	2008	Sapporo, Fukuoka	2016	Toyama, Sapporo
2001	Niigata, Tokyo, Osaka	2009	Ibaraki, Takamatsu	2017	Wakayama, Osaka
2002	Kanazawa, Nagoya	2010	Fukui, Matsue	2018	Aichi, Hiroshima
2003	Oyama, Hiroshima	2011	Shizuoka, Koriyama	2019	Ishikawa, Nagano
2004	Sapporo, Tokyo, Fukuoka	2012	Kumamoto, Sendai		

2. Plant tours for individual shareholders

- Held regularly since FY2007.



Awazu Plant in October 2019

FY	Plant tours for individual shareholders	Times
2007	Awazu	1
2008	Osaka, Awazu	2
2009	Ibaraki, Osaka	6
2010	Ibaraki, Osaka, Oyama, Tochigi	6
2011	Osaka, Awazu, Ibaraki, Techno Center*	6
2012	Awazu, Osaka, Ibaraki, Techno Center	7
2013	Awazu, Osaka, Ibaraki, Techno Center	8
2014	Awazu, Osaka, Ibaraki, Tochigi, Techno Center	8
2015	Awazu, Techno Center, Oyama & Tochigi, Osaka	9
2016	Awazu, Ibaraki, Osaka, Techno Center, Oyama & Tochigi	15
2017	Awazu, Ibaraki, Osaka, Techno Center, Oyama & Tochigi	14
2018	Awazu, Ibaraki, Osaka, Oyama & Tochigi	10
2019	Awazu, Ibaraki, Osaka, Techno Center, Oyama & Tochigi	14

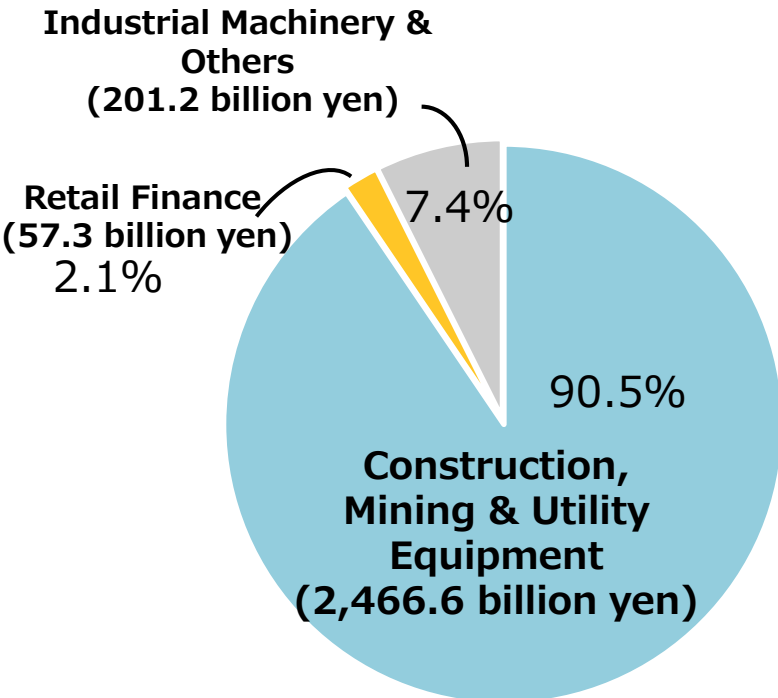
*Techno Center: Facility to exhibit and demonstrate our construction equipment

2. Corporate profile

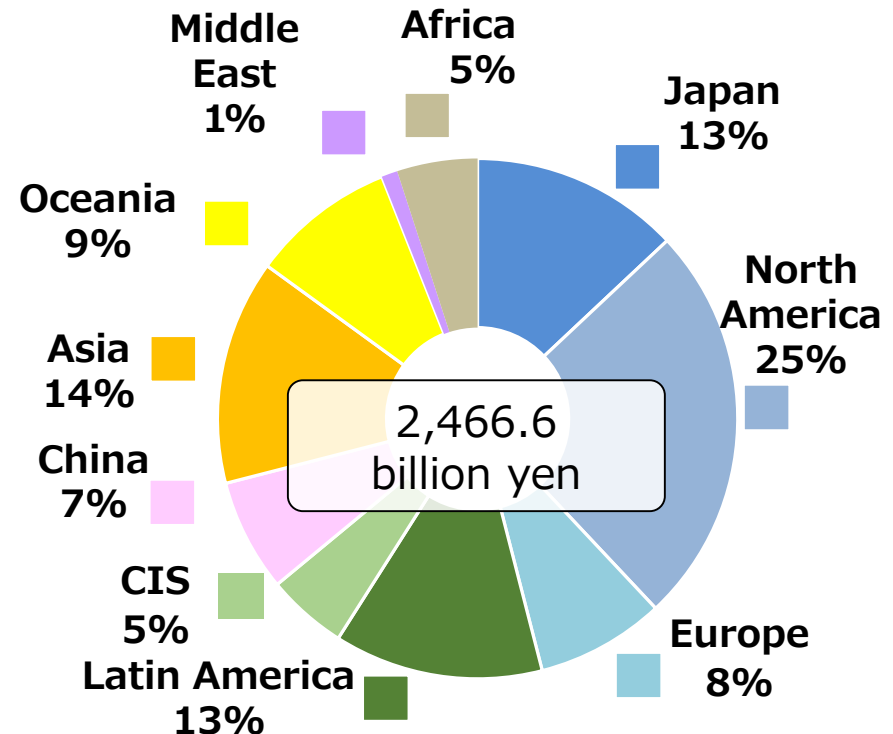
Business Highlights for FY2018

- **Established** : May 13, 1921
 - **Net sales** : 2,725.2 billion yen
 - **Operating income** : 397.8 billion yen
 - **Total assets** : 3,638.2 billion yen
- **Consolidated subsidiaries:** 215 (14 in Japan and 201 in overseas)
 - **Consolidated number of employees:** 61,908 (non-Japanese: approx. 68%)

Sales* by Segment



Sales* breakdown of Construction, Mining & Utility Equipment by Region



*Sales to outside customers

■ Construction, Mining and Utility Equipment:

Komatsu is ranked second in the international construction and mining equipment industry. Our products promote infrastructure development and urbanization. They also support mining of minerals.



Bulldozer



**Hydraulic excavator
(Crawler-type)**



**Hydraulic excavator
(Wheel-type)**



Wheel loader



Dump truck



**Articulated
dump truck**



Motor grader



**Forklift truck
(Electric)**

■ Mining Equipment:

By acquiring Komatsu Mining Corp.(Former Joy Global), we expand our product line-up.

<Surface mining>**Electric rope shovel****Dragline****Blasthole drill****Mining equipment simulators**

By Immersive acquired in July 2019

<Underground mining>**Continuous miner****Shearer****LHD
(Load, haul, dump machine)**

■ Forestry Equipment:

**Our products support sustainable use of wood resources.
Komatsu has recently expanded this business through M&As.**

**Harvester****Forwarder****Felling head**

By Quadco acquired in Feb 2018

**Simulator of forest machine**

By Oryx Simulations
acquired in April 2018

**Feller-buncher**

By TimberPro acquired in April 2019

**Planter
based on bulldozer**

■ **Industrial Machinery and Others:**
One of the world's top manufacturers of large presses and machine tools for the automobile manufacturing industry



Large AC servo press system
[Komatsu Industries Corp.]



Crankshaft miller
[Komatsu NTC Ltd.]



Press brake
[Komatsu Industries Corp.]



Wire saw
[Komatsu NTC Ltd.]



Machining center
[Komatsu NTC Ltd.]



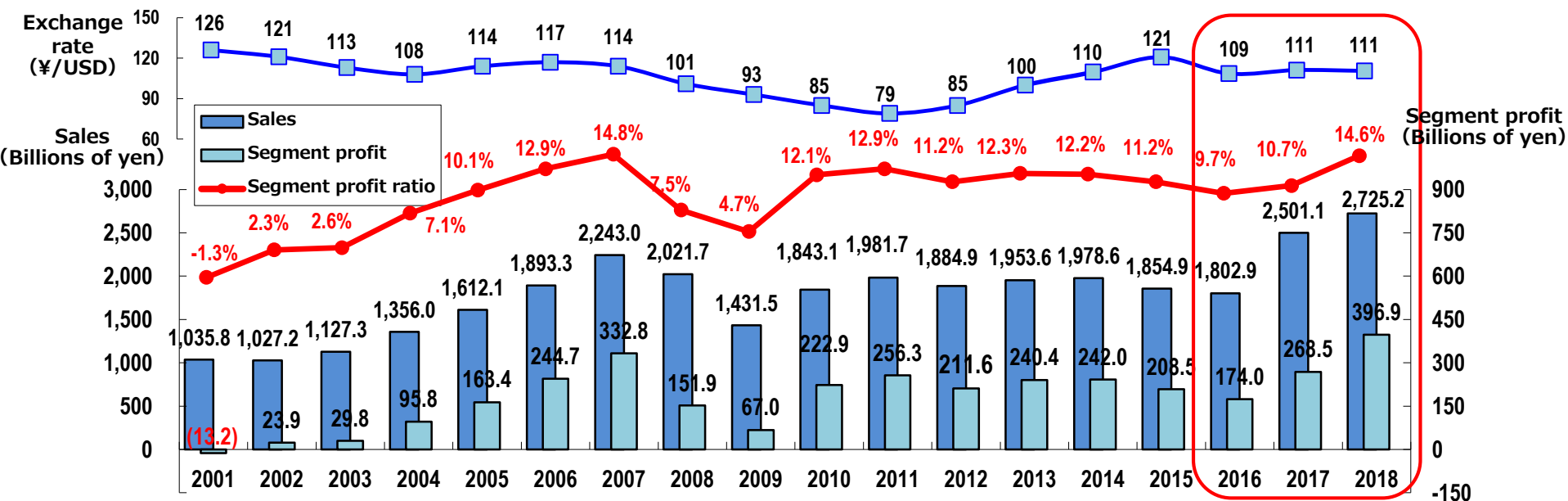
Excimer Lasers for semiconductor lithography equipment
[GIGAPHOTON INC.]



Temperature-control equipment for semiconductor manufacturing
[KELK Ltd.]

3. Business results for the first six-month period of FY2019 and full-year projections

• We achieved all targets of the mid-range management plan, except for ROA in the retail finance business.



<Status of Progress Made in Management Targets>

*Average of FY2016-2018

	Targets	Fiscal years	FY2018	FY2016-2018
		Index	Results	Results*
Growth	• Growth rate above the industry's average	Sales growth rate	9.0%	15.0%
Profitability	• An industry's top-level operating income ratio	Segment profit ratio	14.6%	11.7%
Efficiency	• ROE of 10% or higher	ROE	14.7%	11.4%
Shareholder return	• While making priority investment for growth, we will ensure a fair balance with shareholder return (incl. stock buyback). • We have set the goal of a consolidated payout ratio of 40% or higher, and maintains the policy of not decreasing dividends as long as a consolidated payout ratio does not surpass 60%.	Consolidated payout ratio	40.5%	43.0%
Financial position	• Aim at industry's top-level financial position.	Net debt-to-equity ratio	0.43	0.34
Retail Finance	• ROA: 2.0% or above	ROA	2.2%	1.6%
	• 5.0% or under for net debt-to-equity ratio	Net debt-to-equity ratio	3.64	3.60

- Consolidated net sales declined by 7.9% from the corresponding period a year ago, to JPY1,213.4 billion.
- Operating income dropped by 29.1% to JPY141.9 billion. Operating income ratio was 11.7%, down 3.5 points.
- Net income attributable to Komatsu Ltd. dropped by 28.2% to JPY90.0 billion.

Billions of yen	Apr.-Sep.,2018 (A) ¥109.7/USD ¥129.9/EUR ¥16.8/RMB	Apr.-Sep.,2019 (B) ¥109.0/USD ¥121.6/EUR ¥15.8/RMB	Changes (B-A)	
			increase (decrease)	Change %
Net sales	1,318.0	1,213.4	(104.5)	(7.9)%
Segment profit	199.1	140.6	(58.4)	(29.3)%
Other operating income	1.1	1.2	+0.1	-
Operating income	200.3	141.9	(58.3)	(29.1)%
Profit ratio	15.2%	11.7%	(3.5)pts.	-
Other income (expenses)	(7.7)	(13.7)	(5.9)	-
Income before income taxes	192.5	128.2	(64.2)	(33.4)%
Net income attributable to Komatsu Ltd	125.3	90.0	(35.3)	(28.2)%

Cash dividends per share	51yen	55yen	+4	
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- **Construction, Mining & Utility Equipment:** Sales declined by 7.4% from the corresponding period a year ago, to JPY1,111.6 billion. Segment profit dropped by 29.4% to JPY129.8 billion. Segment profit ratio was 11.7%, down 3.6 points.
- **Retail Finance:** Revenues advanced by 18.2% to JPY34.7 billion. Segment profit dropped by 28.9% to JPY6.8 billion.
- **Industrial Machinery & Others:** Sales dropped by 24.0% to JPY73.7 billion. Segment profit fell by 46.2% to JPY4.0 billion.

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

Billions of yen	Apr.-Sep.,2018 (A)	Apr.-Sep.,2019 (B)	Changes (B-A)	
			increase (decrease)	Change %
Net sales	1,318.0	1,213.4	(104.5)	(7.9)%
Construction, mining & utility equipment	1,200.5 [1,195.1] 29.4 [26.6]	1,111.6 [1,109.3] 34.7 [31.1]	(88.9) [(85.8)] +5.3 [+4.5]	(7.4)% [(7.2)%] +18.2% [+17.0%]
Retail finance	97.0 [96.2]	73.7 [73.0]	(23.3) [(23.2)]	(24.0)% [(24.1)%]
Industrial machinery & others				
Elimination	(9.0)	(6.7)	+2.3	-
Segment profit	15.1% 199.1	11.6% 140.6	(3.5)% (58.4)	(29.3)%
Construction, mining & utility equipment	15.3% 32.6% 183.9 9.5	11.7% 19.6% 129.8 6.8	(3.6)% (13.0)% (54.1) (2.7)	(29.4)% (28.9)%
Retail finance	7.7% 7.5	5.5% 4.0	(2.2)% (3.4)	(46.2)%
Industrial machinery & others				
Corporate & elimination	(1.9)	0.0	+1.9	-

Review of three business segments

■ Construction, Mining & Utility Equipment:

Sales decreased, adversely affected by reduced sales volume and differences in foreign exchange rates. Segment profit dropped, affected mainly by reduced sales volume and a change in the geographic composition of sales.

■ Retail Finance:

Revenues advanced, supported by an increase in the average asset balance. Segment profit fell, mainly reflecting no more reversal of allowances for doubtful accounts in China, which were recorded for the corresponding period a year ago.

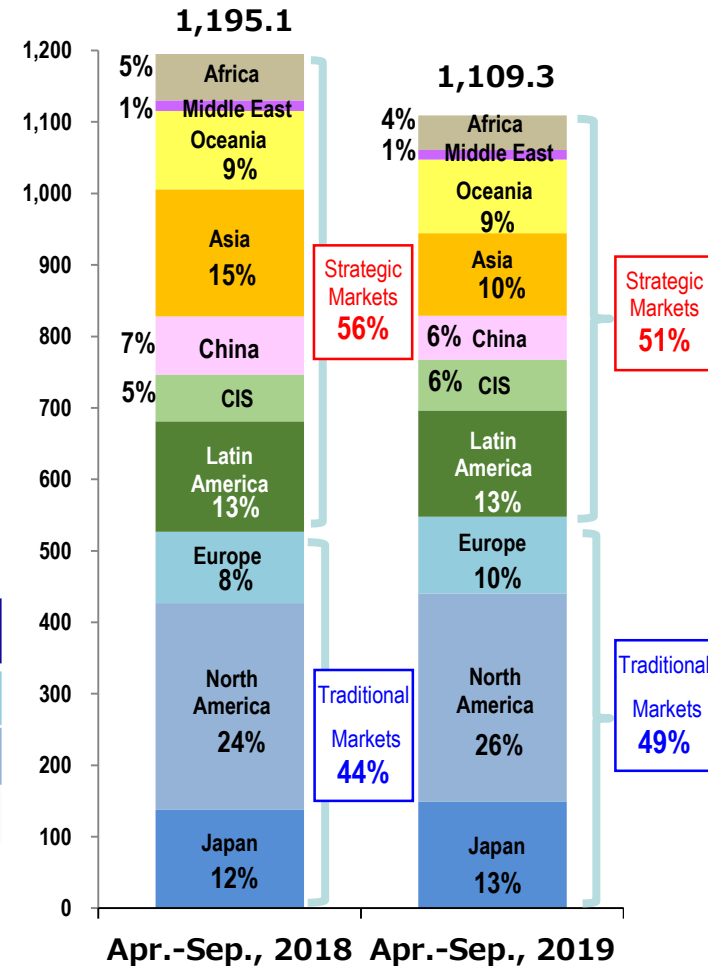
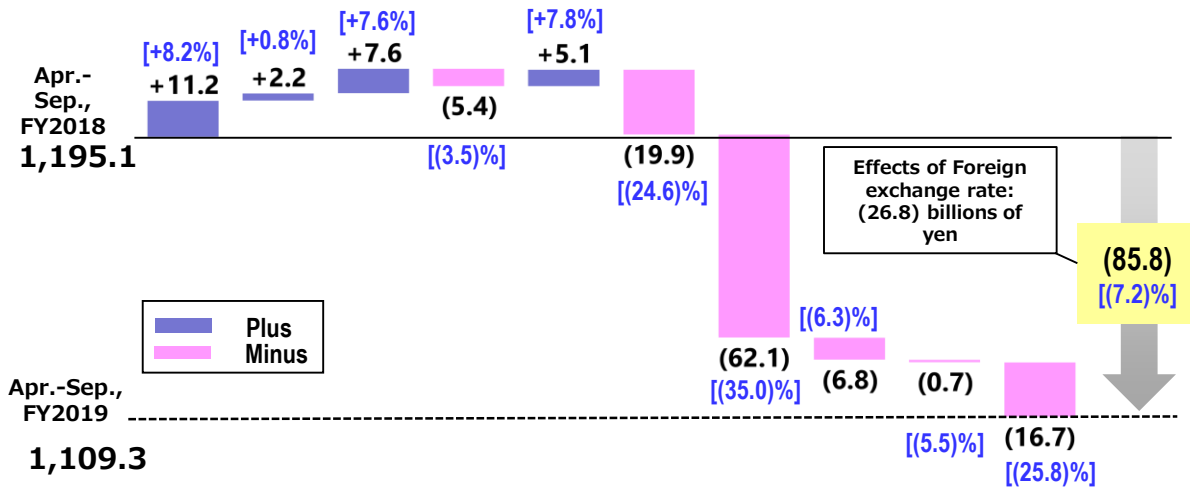
■ Industrial Machinery & Others

Both sales and segment profit declined, due to reduced sales of presses and machine tools to the automobile manufacturing industry, as well as declined sales of Excimer laser-related products on the semiconductor market.

- Sales to outside customers decreased by 7.2% from the corresponding period a year ago, to JPY1,109.3 billion.
- While sales increased mainly in Japan, CIS and Europe, they dropped sharply in Asia, China and Africa. As a result, sales declined.
- The ratio of sales in Traditional Markets increased to 49% of total sales.

Apr.-Sep.,2019 vs. Apr.-Sep.,2018

Billions of yen



Billions of yen	Japan	North America	Europe	Latin America	CIS	China	Asia	Oceania	Middle East	Africa	Total
Apr.-Sep.,2018(a)	137.4	289.1	100.1	154.1	65.6	81.4	177.6	109.9	14.4	65.1	1,195.1
Apr.-Sep.,2019(b)	148.7	291.4	107.7	148.6	70.8	61.4	115.4	103.0	13.6	48.3	1,109.3
Change (b-a)	+11.2	+2.2	+7.6	(5.4)	+5.1	(19.9)	(62.1)	(6.8)	(0.7)	(16.7)	(85.8)
	※	※	※		※						

Traditional Markets (Japan, North America, Europe, Latin America, CIS, Middle East, Africa)
Strategic Markets (China, Asia, Oceania)

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

Consolidated Balance Sheets

- While inventories and other assets increased, total assets decreased by JPY0.6 billion from the previous fiscal year-end, to JPY3,637.5 billion, adversely affected by differences in foreign exchange rates.
- Komatsu Ltd. shareholders' equity ratio was 49.2%, down 0.7 points.

Billions of yen : Net D/E ratio	Mar. 31, 2019 ¥111.1/USD ¥124.7/EUR ¥16.6/RMB	Sep. 30, 2019 ¥107.9/USD ¥118.0/EUR ¥15.1/RMB	Increase (Decrease)
Cash & deposits (incl. time deposits) [a]	150.8	164.7	+13.9
Accounts receivable (incl. long-term trade receivables)	1,258.5	1,160.6	(97.8)
Inventories	837.5	894.2	+56.6
Tangible fixed assets	776.4	756.8	(19.5)
Other assets	614.8	*1 661.0	+46.2
Total assets	3,638.2	3,637.5	(0.6)
Accounts payable	266.9	247.9	(18.9)
Interest-bearing debt [b]	930.7	951.3	+20.6
Other liabilities	537.7	*1 567.7	+30.1
Total liabilities	1,735.3	1,767.1	+31.8
[Shareholders' equity ratio]	(49.9%)	(49.2%)	((0.7)pts.)
Komatsu Ltd. shareholders' equity	1,815.5	1,787.9	(27.6)
Non-controlling interests	87.2	82.4	(4.8)
Liabilities & Equity	3,638.2	3,637.5	(0.6)
Interest-bearing debt, net [b-a]	0.43 779.8	0.44 786.6	+6.7
Net D/E ratio (excl. the retail finance business)	0.09	0.09	

*1 Note: In compliance with the new accounting standard which Komatsu has adopted, right-of-use assets under operating lease and operating lease liabilities increased by about JPY48.0 billion from the previous fiscal year-end.

Outline of Projection for FY2019

- In the first six-month period, sales underperformed the projections, especially in Asia and China. In the second six-month period, we project that demand will likely be softer than the projection, as the external environment will remain uncertain, including the ongoing China-United States trade war. In addition, as we have reassessed projected foreign exchange rates in the second six-month period, we have revised both sales and profits for FY2019 downward as follow.
- Consolidated net sales: JPY2,472.0 billion, a decline of 9.3% from FY2018. (Downward revision of JPY145.0 billion from the projection of April 2019)
- Operating income: JPY279.0 billion, a drop of 29.9% from FY2018. (Downward revision of JPY58.0 billion from the projection of April 2019)
- We will keep our plan (of April 2019) for annual dividend per share of JPY110 for FY2019.

Note: We have changed the average exchange rates in the second six-month period to USD1=JPY100, EUR1=JPY111 and RMB1=JPY14.0.

Billions of yen	FY2018 Results (A) ¥110.6/USD ¥128.5/EUR ¥16.5/RMB	FY2019 Projection (B) (Current) ¥104.5/USD ¥116.3/EUR ¥14.9/RMB	FY2019 Projection (C) (Initial) ¥105.0/USD ¥119.0/EUR ¥15.6/RMB	Changes (B-A)	
				Increase (Decrease)	% Change
Net sales	2,725.2	2,472.0	2,617.0	(253.2)	(9.3)%
Segment profit	399.3	278.0	342.0	(121.3)	(30.4)%
Other operating income (expenses)	(1.5)	1.0	(5.1)	+2.5	-
Operating income	397.8	279.0	337.0	(118.8)	(29.9)%
Profit ratio	14.6%	11.3%	12.9%	(3.3)pts.	-
Other income (expenses)	(20.3)	(22.0)	20.0	(1.6)	-
Income before income taxes	377.4	257.0	317.0	(120.4)	(31.9)%
Net income attributable to Komatsu Ltd	256.4	180.0	215.0	(76.4)	(29.8)%
ROE	14.7%	10.2%	11.8%	(4.5)pts.	
Cash dividends per share	110yen	110yen	110yen	+/-0.0yen	
Consolidated payout ratio	40.5%	57.7%	48.3%		

Projection for Segment Sales and Profit for FY2019

- **Construction, Mining & Utility Equipment:** In the first six-month period, sales underperformed the projections, especially in Asia and China. In the second six-month period, we project that demand will likely be softer than the projection. In addition, as we have reassessed projected foreign exchange rates in the second six-month period, we have revised both sales and profits for FY2019 downward. Sales will decline by JPY129.0 billion from the projection of April 2019, to JPY2,233.0 billion. Similarly, segment profit will drop by JPY58.0 billion to JPY253.0 billion.
- **Retail Finance:** We are revising the projection (April 2019) of revenues downward by JPY1.0 billion. We will keep segment profit as projected.
- **Industrial Machinery & Others:** We have revised the projection (April 2019) of sales downward by JPY18.0 billion. Similarly, segment profit will drop by JPY6.0 billion from the projection.

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

Billions of yen	FY2018 Results (A)	FY2019 Projection (B) (Current)	FY2019 Projection (C) (Initial)	Changes (B-A)	
				increase (decrease)	Change %
Net sales	2,725.2	2,472.0	2,617.0	(253.2)	(9.3)%
Construction, mining & utility equipment	2,478.9 [2,466.6]	2,233.0 [2,224.0]	2,362.0 [2,350.0]	(245.8) [(242.6)]	(9.9)% [(9.8)%]
Retail finance	63.5 [57.3]	69.0 [61.0]	70.0 [62.0]	+5.4 [+3.7]	+8.5% [+6.5%]
Industrial machinery & others	203.2 [201.2]	189.0 [187.0]	207.0 [205.0]	(14.2) [(14.2)]	(7.0)% [(7.1)%]
Elimination	(20.5)	(19.0)	(22.0)	+1.5	-
Segment profit	☐ 14.7% 399.3	☐ 11.2% 278.0	☐ 13.1% 342.0	(121.3)	(30.4)%
Construction, mining & utility equipment	☐ 14.7% 365.3	☐ 11.3% 253.0	☐ 13.2% 311.0	(112.3)	(30.8)%
Retail finance	☐ 27.5% 17.5	☐ 18.8% 13.0	☐ 18.6% 13.0	(4.5)	(25.8)%
Industrial machinery & others	☐ 9.2% 18.6	☐ 7.9% 15.0	☐ 10.1% 21.0	(3.6)	(19.6)%
Corporate & elimination	(2.0)	(3.0)	(3.0)	(1.0)	-

Conditions of three business segments: the latest projection compared with FY2018 results

■ Construction, Mining & Utility Equipment:

While we can expect some positive effects of price hikes, we project that sales will decline from FY2018, adversely affected by decreasing sales volume and foreign exchange rates. Segment profit will also decline, adversely affected by decreasing sales volume, foreign exchange rates, a worsening geographic composition of sales, and execution of strategic investments for growth.

■ Retail Finance:

Revenues will increase, supported by an increase in average asset balance. Segment profit will decrease, mainly reflecting no more reversal of allowances for doubtful accounts in China, which were recorded for FY2018.

■ Industrial Machinery & Others

Both sales and profits will decline against the backdrop of declining sales of presses and machine tools to the automobile manufacturing industry and of Excimer laser-related products on the semiconductor market.

4 . Dividend, stock price and IR efforts

To sustainably increase our corporate value, we at Komatsu are working to secure a sound financial position and strengthen our competitiveness. Concerning cash dividends to our shareholders, we maintain the policy of continuing stable dividends by comprehensively considering consolidated business results, future investment plans, cash flow and other related factors. Specifically, we have set the policy of a consolidated payout ratio of **40% or higher**.

Consolidated financial statements and cash dividend

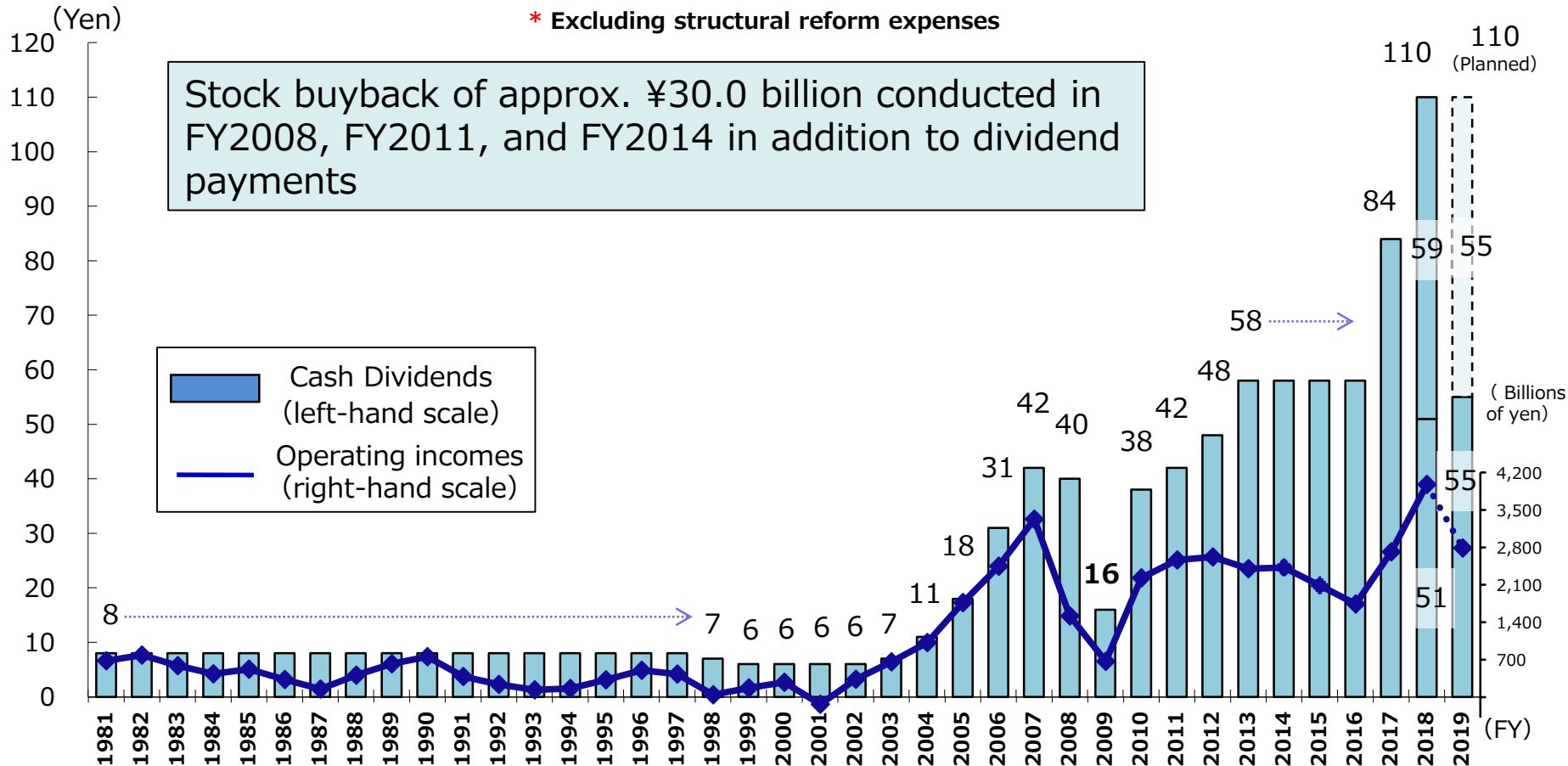
Billions of yen	FY2018 Consolidated	FY2019 Projection Consolidated (Current)
Net sales	27,252	24,720
Operating income	3,978	2,790
Net income	2,564	1,800

Cash dividends per share	Interim	51yen	55yen
	Year-end	59yen	55yen
	Total	110yen	110yen
Consolidated payout ratio		40.5%	57.7%

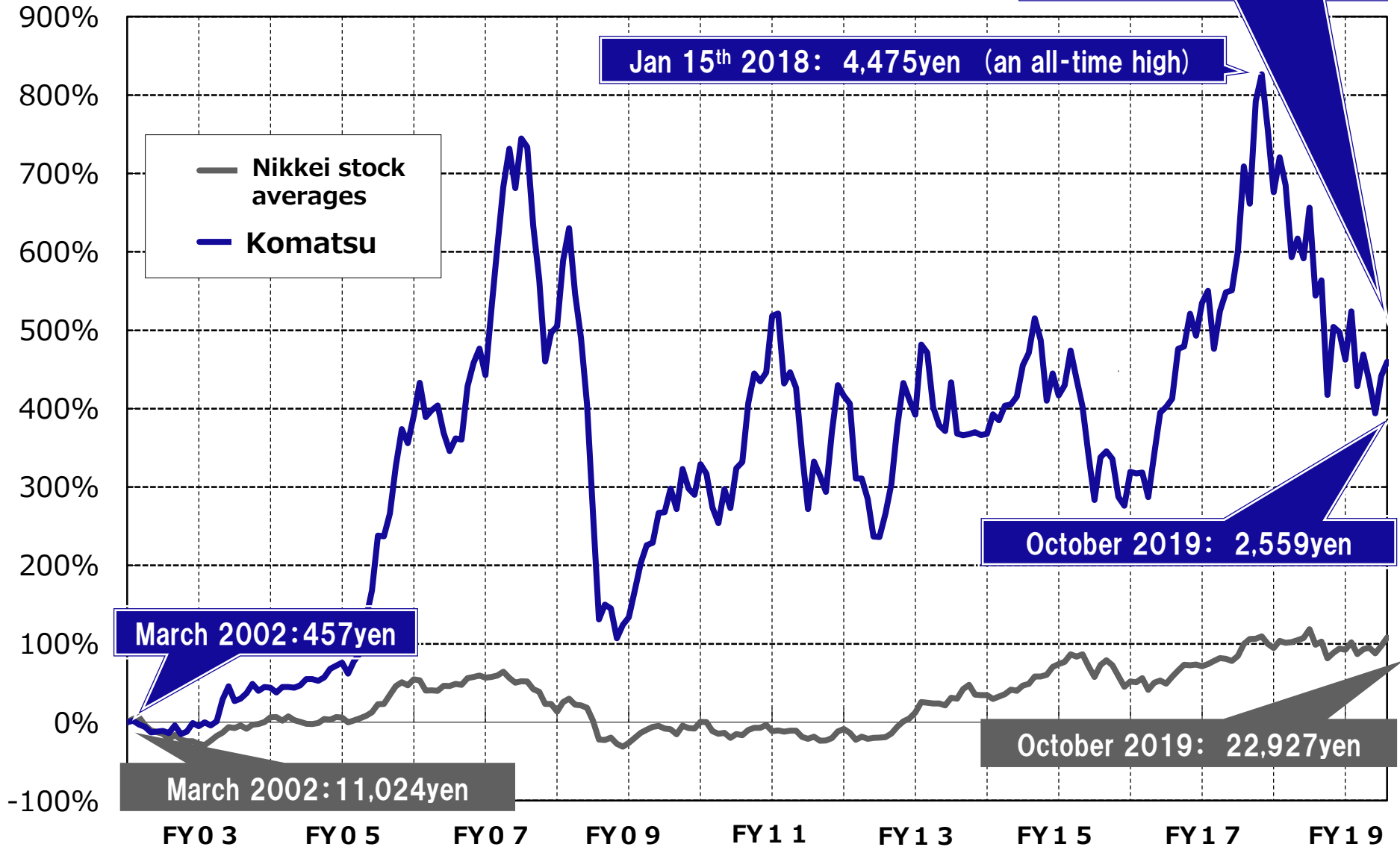
**Cash dividends: 110yen per share,
The Consolidated payout ratio: 57.7% (projection for FY2019)**

	'03	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19 (projection)
Dividend policy				20%/above			20%~40%				30%~50%			40%~60%		40%~	
Consolidated payout ratio [Total return ratio]	26%	18%	16%	19%	20%	40%*	38%*	24%	24%	36%	35%	36%	40%	48%	40%	40.5%	57.7%
						[88%]			[42%]		[55%]						

* Excluding structural reform expenses



Changes of stock prices from March 2002 (the closing prices of each month)



Presenting thank you gifts for our shareholders who have held our shares for a long time (This program began in July 2014.)



- One Komatsu-original miniature model (not sold in stores) per one applicable shareholder
- One model each year to make a series of models.

FH160-1 forklift truck models in FY2019

Scale: 1/87

Dimensions: 76mm (L) x 29mm (W) and 39mm (H)

(With the container): 90mm (L) x 43mm (W) and 42mm (H)

For age 13 years old and up

Applicable shareholders

As of the record date (March 31, every year), the shareholders who hold **three share units (300 shares) or more** and have held our stock for **three years or longer**.

Note: Only for the shareholders live in Japan. And the shareholders registered as those who have continued to hold Komatsu shares seven times or more in our shareholder registry on March 31 and September 30 every year under the same shareholder's number.

Investor Relations

Information
3pm, January 31, 2020
(Japan Standard time)
3Q Results for FY2019

Stock Price (Real time)
8/7/2020 15:00
Ticker:6901 (TSE)
Price **2566.0** JPY
Change -50.0 JPY
Volume 4,472,600
*Volume 20 min, delayed
Chart

Press Release
> LIST

- Dec. 17, 2019 **IR** Monthly Demand updated (BB Ratio)
- Dec. 6, 2019 **IR** Monthly Demand partially updated
- Dec. 5, 2019 **IR** Monthly KOMTRAX data updated
- Nov. 14, 2019 **Management** Komatsu announces plans to deploy 37 autonomous trucks at Vale's Carajás mine
- Oct. 30, 2019 **Settlement + Finance** Consolidated Business Results for Six Months of the Fiscal Year Ending March 31, 2020 (U.S. GAAP)

IR Library

- > Sales and Profits Gains Reports
- > Presentations
- > Monthly Demand, Orders and KOMTRAX data
- > KOMATSU REPORT (Integrated Report)
- > Securities report / Quarterly report

Corporate Profile

- > Our Strengths
- > Financial Highlights (full year)
- > Performance by business division / region (full year)
- > Corporate Governance
- > Risk Factors
- > Disclosure Policy

Stock - Rating Information

- > Stock Information
- > General Meeting of Shareholders
- > Regulations
- > Cash Dividends
- > Ratings
- > Analyst Coverage

Latest IR Library

- FY2019 Six months
- > Sales and Profits Gains
- > Securities report / Quarterly report (1,012 KB)
- > Presentations(1,191 KB)

IR Calendar > List

- Mid February,2020
Quarterly Report for FY2019-Q3
- Mid February,2020
Fourth Interview with the President in FY2019
- Late January,2020
Announcement of FY2019-Q3 Business Results

President Interview
The CEO describes Komatsu's strengths, business outlook and the new Mid-term Management Plan.

● Investor Relations: Top page

Committed to easy-to-understand disclosure of information by including President Interview (streaming) and business results disclosure meetings (streaming: voice only).

[Display of Komatsu stock price]
For more information, you can click the Chart tab to see share graphs.

In IR Library, you can easily check on the latest sales and profit gains report, presentations, and business results disclosure meeting (incl. Q&A).
【Quarterly renewals】

*Information changes as needed.

Please enjoy our IR contents.
<https://home.komatsu/en/ir/>

Thank you.



Komatsu's Strengths, Issues and Efforts

December 2019
Hiroyuki Ogawa
President and CEO
Komatsu Ltd.

- 1. Strengths**
- 2. New mid-term management plan**
- 3. Social contributions**



1. Strengths

Mission of Meitaro Takeuchi, Founder, born in Kochi Prefecture

工業富國基

Industry is the foundation to enrich the nation.

Human resource development is the basics of the above.

- ◆ Established Komatsu Iron Works to develop mining machinery. (1917)
- ◆ Founded Komatsu Ltd. on May 13, 1921.

Founder's principles have been passed on to us in the form of DNAs, transforming into Komatsu's strengths.



*Meitaro Takeuchi (1860-1928),
Founder*

Develop technologies that meet and challenge world's standards.

- ◆ Quality first
- ◆ Technology innovation
- ◆ Globalization
- ◆ Human resource development

Global Development and Production (As of March 31, 2019) 5

- Integrated development and production: Mother plants equipped with development and production capabilities.
- Development and production of key components in Japan and generation of technology innovation in Japan
- Assembly of finished machines in the regions with big market demand → Overseas production ratio: 60%(FY2018)

Major assembly plants of construction, mining and utility equipment

Key components: Produced at the Oyama Plant



Diesel engines




Hydraulic units




Axles

- Objectives of local assembly / production**
- 1) Win customers' trust.
 - 2) Provide early solutions for quality-related problems.
 - 3) Incorporate local specs.
 - 4) Shorten lead-time.
 - 5) Respond flexibly to foreign exchange risks.


Key components of hybrid excavators: Produced at the Shonan Plant:



Generation motor



Swing motor



Capacitor

Note: Excl. cells

No. of production bases by region Incl. local assembly plants for underground mining equipment

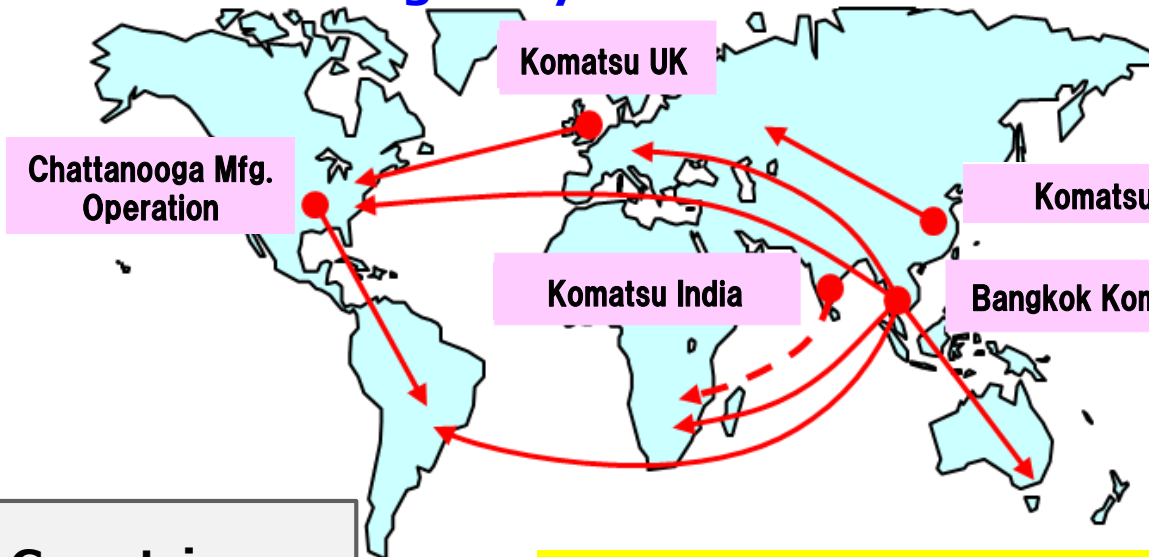
Americas	Europe & CIS	Middle East & Africa	Asia	China	Japan	Total
34(1)	14(4)	1	14	9	12(4)	84(9)

● ● ● : Mother plants equipped with development capability, () : No. of Mother plants [Excl. Komatsu Mining Corp.]

In tune with changes in market demand and foreign exchange rates, we produce products at optimal plants and export them.

- <Benefits>
1. Respond to foreign exchange rates
 2. Respond flexibly to market demand
 3. Reduce production costs.
 4. Effectively utilize production capability
 5. Minimize investment

<Cross sourcing of hydraulic excavators>



9 Countries

Japan, U.S.A.,
U.K., Brazil, China,
Thailand,
Indonesia, Russia
and India

<Requirements>

1. *Unified base machine*
2. *Unified production planning control system*
3. *Unified bills of materials for production and design*
4. *Unified production process and quality standard*

Sales & Service and Product Support (As of March 31, 2019)

- Global sales & service distributor networks → Covering 99% of global demand
- Direct investment in and management of distributors in the countries with strong demand for mining equipment
- Reinforcement of Reman/rebuild facilities and training centers for distributors' human resource development

Europe & CIS

Sales & service subsidiaries: 14
 Parts centers: 7
 Training centers: 7
 Reman/rebuild centers: 2

China

Sales & service subsidiaries: 4
 Parts centers: 2
 Training center: 1
 Reman/rebuild centers: 2

Americas

Sales & service subsidiaries: 21
 Parts centers: 15
 Training centers: 3
 Reman/rebuild centers: 3

Middle East & Africa

Sales & service subsidiaries: 5
 Parts centers: 2
 Training centers: 2
 Reman/rebuild center: 1

Japan

Sales & service subsidiary: 1
 Parts centers: 5
 Training centers: 2
 Reman/rebuild center: 0

Asia & Oceania

Sales & service subsidiaries: 12
 Parts centers: 15
 Training centers: 2
 Reman/rebuild centers: 6



Dubai Training & Demonstration Center in UAE

● Mining equipment distributors (Komatsu as major shareholder)

Global Sales and Production Planning

Global HANSEI Operation Center: "Visualizing" production, sales and inventories worldwide.
Parts HANSEI Operation Center: "Visualizing" parts operations worldwide.

Global HANSEI Operation Center (Established at the Osaka Plant in April 2011)

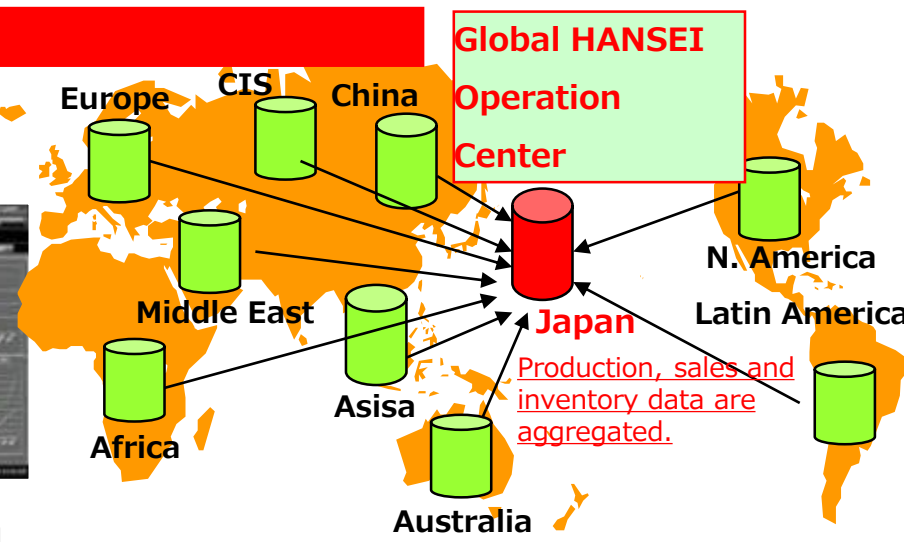
Global HANSEI Operation Center gathers our global production, sales and inventory data.



- Predict global demand.
- Develop production and sales plans.
- Promote inventory control, etc.



*HANSEI: Production and sales



Parts HANSEI Operation Center (Established at the Oyama Plant in July 2015)



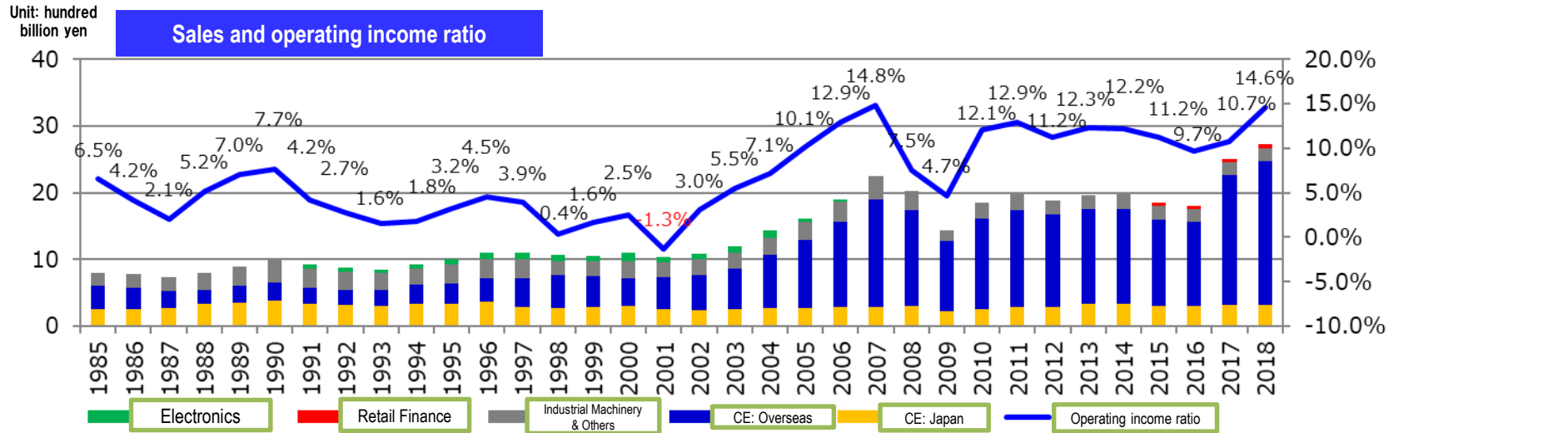
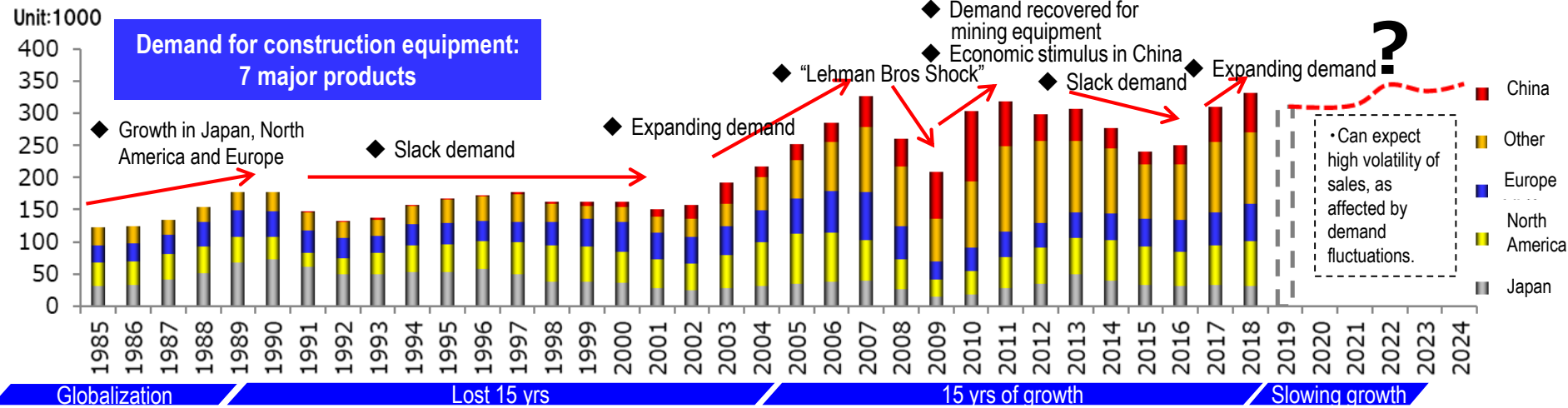
- [Roles of the Parts HANSEI Operation Center]
- "Visualize" parts operations worldwide.
 - Solve problems by coordinating related departments.

Promote optimal customer support with minimum inventories.



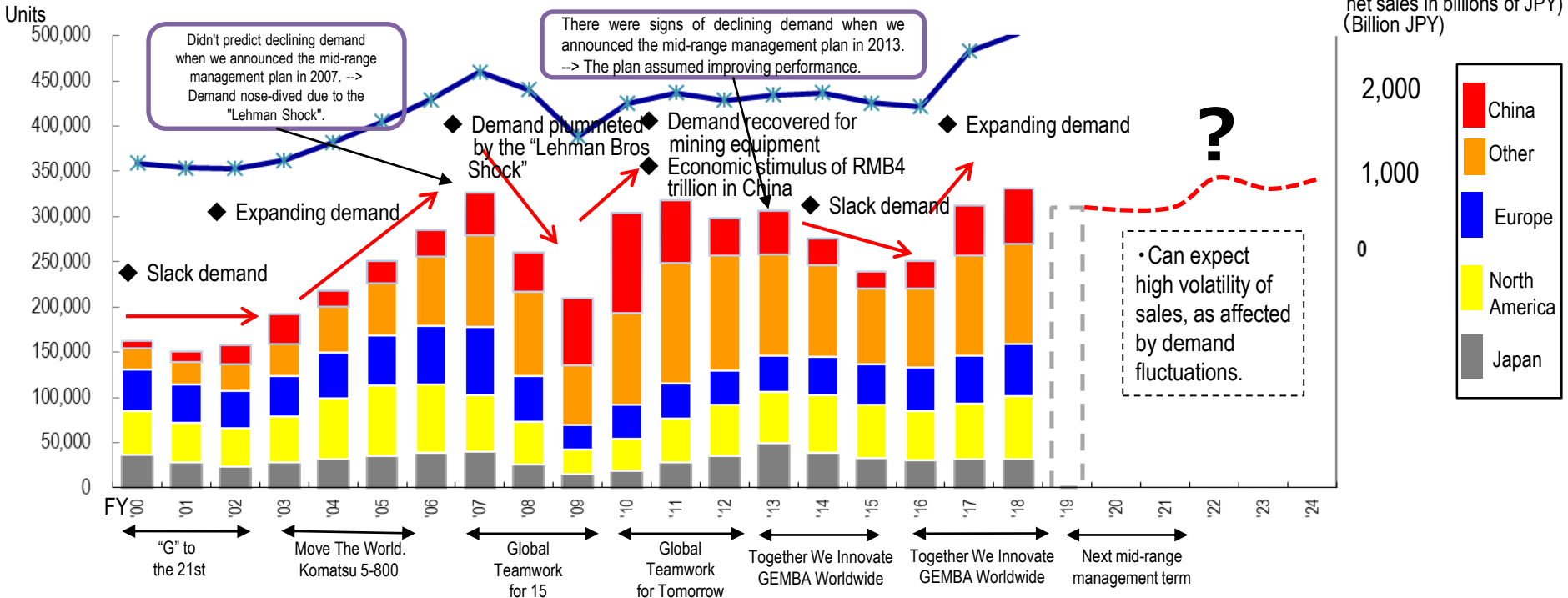
2. New mid-term management plan

- Growth of demand for construction equipment slowed down in the 1990s. Demand in China and some other new emerging countries drove global demand in the 2000s, but we cannot expect for big growth in demand in the future.
- In the 1990s, Komatsu turned the course of business growth to diversification under the strategy of 3Gs (Global, Group-wide and Growth), but resulted in registering lower earnings.
- In the 2000s, as markets grew, Komatsu changed the strategy to selective focus and improved earnings. While maintaining its earnings power, Komatsu expanded sales through M&As.



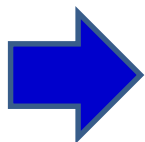
• The volatility of construction and mining equipment is high. → We need to continue strengthening our muscle to meet demand fluctuations.

Demand for 7 major products, Komatsu's sales and achievement for mid-range management targets



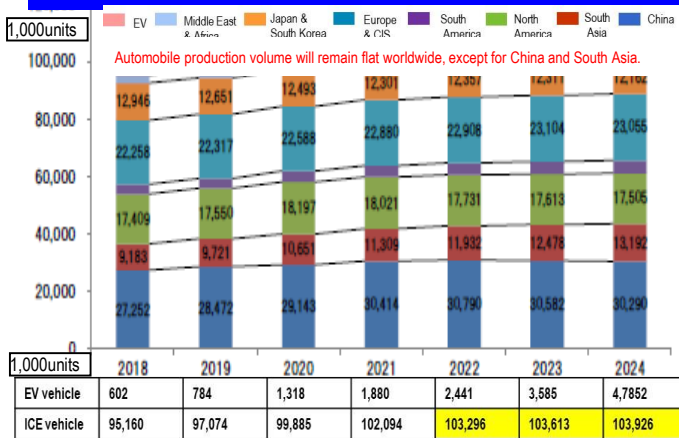
<Tasks Based on the External Environment in New Mid-range Management Plan>

1. We will implement growth strategies, including those for new businesses and domains.
2. We need to continue strengthening our muscle to meet demand fluctuations.
 - 1) Reinforcement of the aftermarket business,
 - 2) Establishment of the solutions business,
 - 3) Continuous reinforcement of flexible manufacturing operations
3. Risks associated with declining demand for coal and geopolitics.
4. Concerns over intensifying competition with makers from China and other emerging countries.

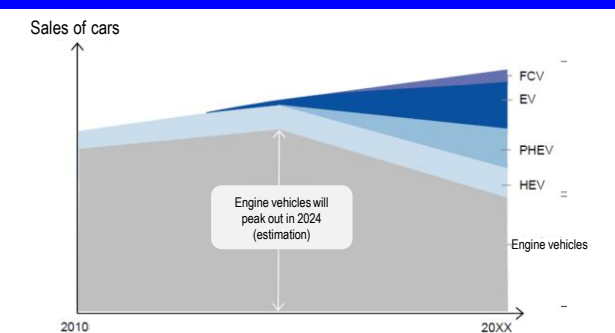


- Automobile production volume will grow centering on China, and the percentage of EVs will also increase.
- The semiconductor market should continue to grow.
- This segment accounts for 7% of consolidated net sales. Segment profit ratio has remained around 7~9%.

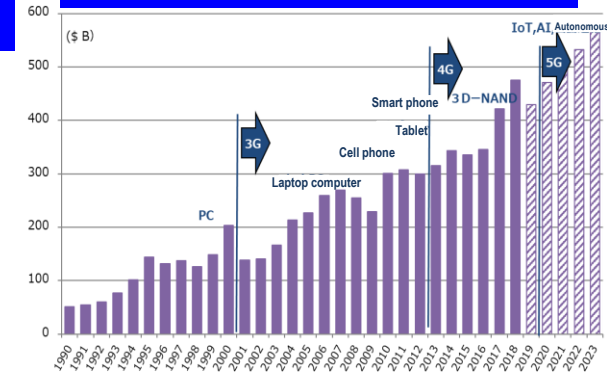
Projected automobile production



Projected sales of internal combustion engine vehicles and EVs

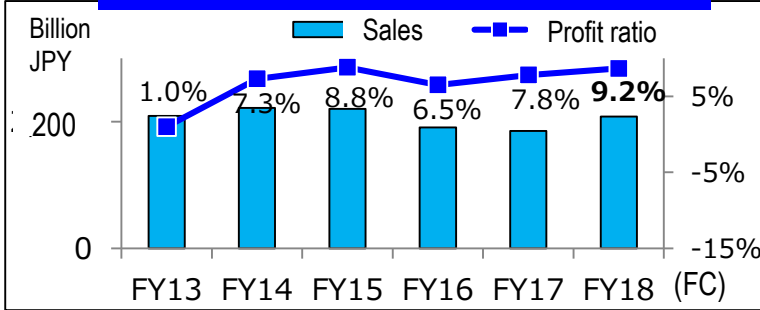


Semiconductor market



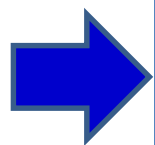
(Source : IHS)

Segment sales and profit



Main business	Main Markets (Percentage of all sales held by main customer)	Synergy with construction & mining equipment
1. Presses, laser cutting machines, etc → Komatsu's initial business	Automobile manufacturers (70%)	Sheet-metal machinery to manufacture construction equipment
2. Machine tools	Engine related business (90%)	Reducing power consumption of machine tools to make engines of construction equipment
3. Excimer laser	Lithography tool of semiconductor manufacturing (100%)	—
4. Temperature control equipment and thermoelectric modules	Equipment for semiconductor manufacturing (80%)	Expanding applications to construction equipment as wireless sensing devices

- < Tasks Based on the External Environment in New Mid-range Management Plan >
1. To expand synergy effects with the construction equipment business. (components and platforms)
 2. To make sheet-metal and forging machines as well as machine tools improve profitability and respond to structural changes of the industry and advancement of EVs.
 3. To promote further business growth of Excimer lasers, semiconductor elements and temperature-control equipment for semiconductor manufacturing by capitalizing on respective core technologies.



Mid-Term Management Plan (FY2019 – FY2021)

DANTOTSU Value

FORWARD Together for Sustainable Growth

April 26, 2019
Hiroyuki Ogawa
President and CEO
Komatsu Ltd.

Mid-Term Management Plan (FY2019 – FY2021)

DANTOTSU Value

FORWARD Together for Sustainable Growth

Linking every workplace through excellence

Our world is changing.

So are the challenges of our customers and society.

What can we do to help overcome these challenges while remaining sustainable?

Together, we can reach new, unrivaled heights of excellence in our products, services, and solutions to enable a better world. We can link every workplace and generate value with our global teams, customers, distributors, partners and communities.

We can make a difference.

We can do it by delivering DANTOTSU Value.

1. External Environment and Our Tasks

The external environment is changing, as represented by multi-polarization of the world and growing concerns about climate change. To achieve sustainable growth, we need growth strategies that are not affected by changes of market demand.

Changes in the External Environment and of ESG Issues

[Politics & economy]

- Multipolarization of the world
- Emergence of protectionism
- Growth of emerging economies

[Technologies]

- Further spread of IoT, AI, and big data
- The progress of electric and autonomous vehicles

[Environment & energy]

- Climate change
- Growing demand for energy, foods and water
- Decarbonization & renewable energy

[Society & values]

- Acceleration of diversity in advanced countries
- A decline of working-age population
- Achievement of a recycling-oriented society by accelerating the pace of sharing
- Growing pursuit and needs for safety and comfort

Expectations of achieving a sustainable society

Our Tasks in the Growth Strategies

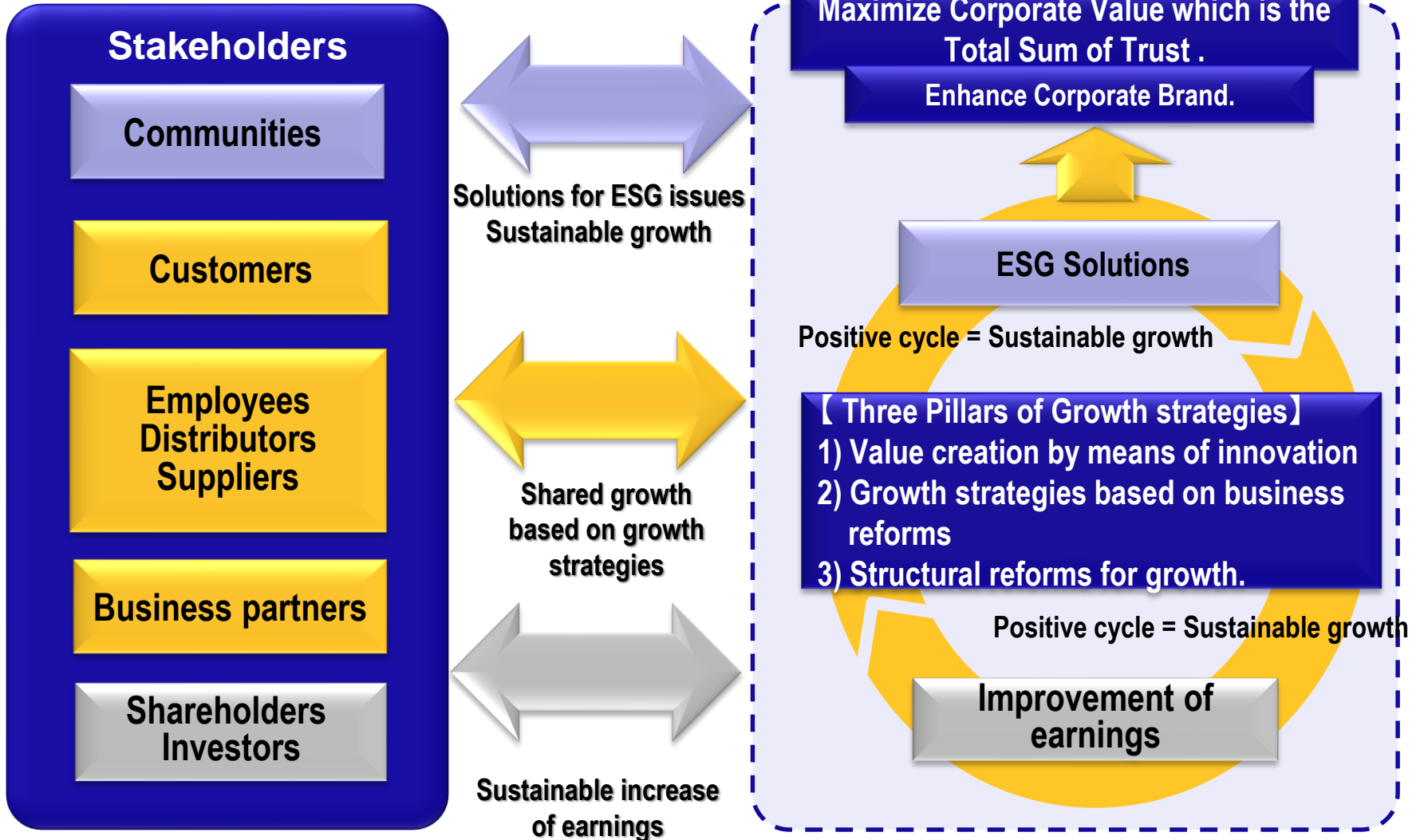
1. To solve ESG issues through the growth strategies of our core business.
2. To promote sustainable growth based on our profit structure which is free of changes in the external environment and market demand.

2. Mid-term Management Plan: Concepts and Stance

We will strive to maximize our corporate value and achieve sustainable growth through a positive cycle of improving earnings and solving ESG issues. We will achieve this by working on our three strategic pillars: 1) value creation by means of innovation, 2) growth strategies based on business reforms, and 3) structural reforms for growth.

<< Expectations of society and stakeholders >>

<< Growth Strategy Aligned with Management Principles >>

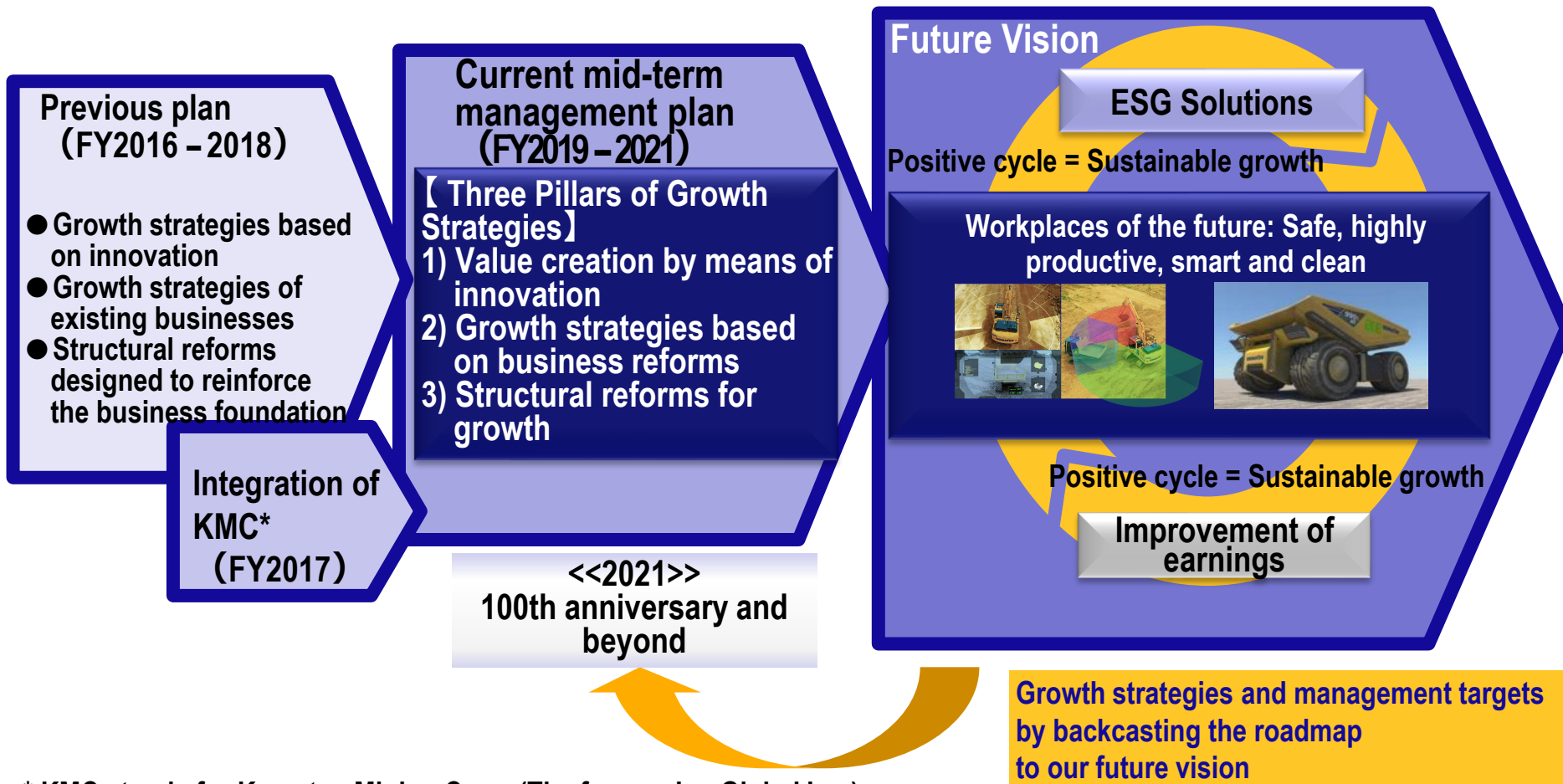


3. Outline and Status of Mid-term Management Plan

To maximize corporate value (the total sum of trust) , we will work for sustainable growth. In developing this mid-term management plan, we have defined growth strategies and management targets by backcasting the roadmap to our future vision.

Management principle

Make commitment to Quality and Reliability and maximize corporate value (the total sum of trust from society and all stakeholders)

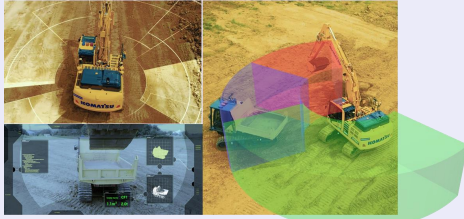


* KMC stands for Komatsu Mining Corp. (The former Joy Global Inc.)

4. Three Pillars of Growth Strategies to Achieve Sustainable Growth

We will achieve sustainable growth in the face of changing external environment and challenges by focusing efforts on the following three pillars of growth strategies.

Value creation by means of innovation



- ◆ Optimization platform and solutions business strategies
 - * SMARTCONSTRUCTION, Autonomous Haulage System (AHS), and platforms (LANDLOG and IntelliMine)
- ◆ Automation, autonomous operation, electrification and remote controlling of construction, mining and utility equipment
- ◆ Smart forestry and agriculture

Growth strategies based on business reforms



- ◆ KMC integration synergies and business reinforcement
- ◆ Value chain reforms and redefinition of the aftermarket business
 - * Preventive maintenance by applying IoT and AI, and Lifecycle support under serial number-based management
 - * Logistics reforms * Next-generation key components
- ◆ Next-generation KOMTRAX
- ◆ Stronger focus on aggregate & cement, forestry, agriculture and other segments
- ◆ Efforts for “DANTOTSU NO. 1 in Asia” and in the growing markets of India and Africa
- ◆ Reforms of the industrial machinery business (Expansion of synergy with the construction equipment business and growth by capitalizing on core technologies)

Structural reforms for growth

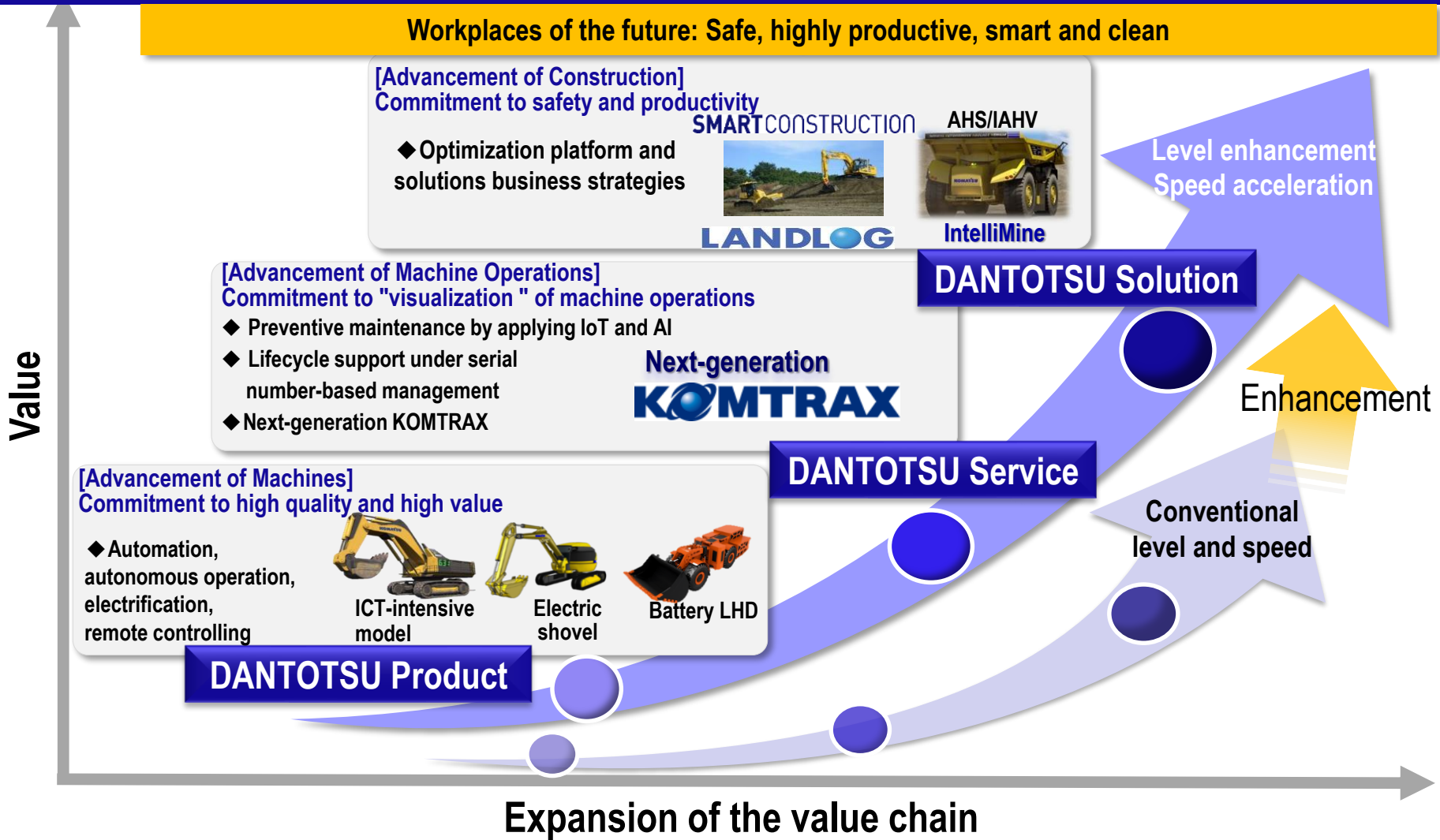


- ◆ Business reforms by means of ICT and IoT
- ◆ Structural reforms of development operation
 - * Model base development
 - * Open innovation
- ◆ Connected plants with Zero impact on environment and workers
- ◆ Global human resource development

5. DANTOTSU Value

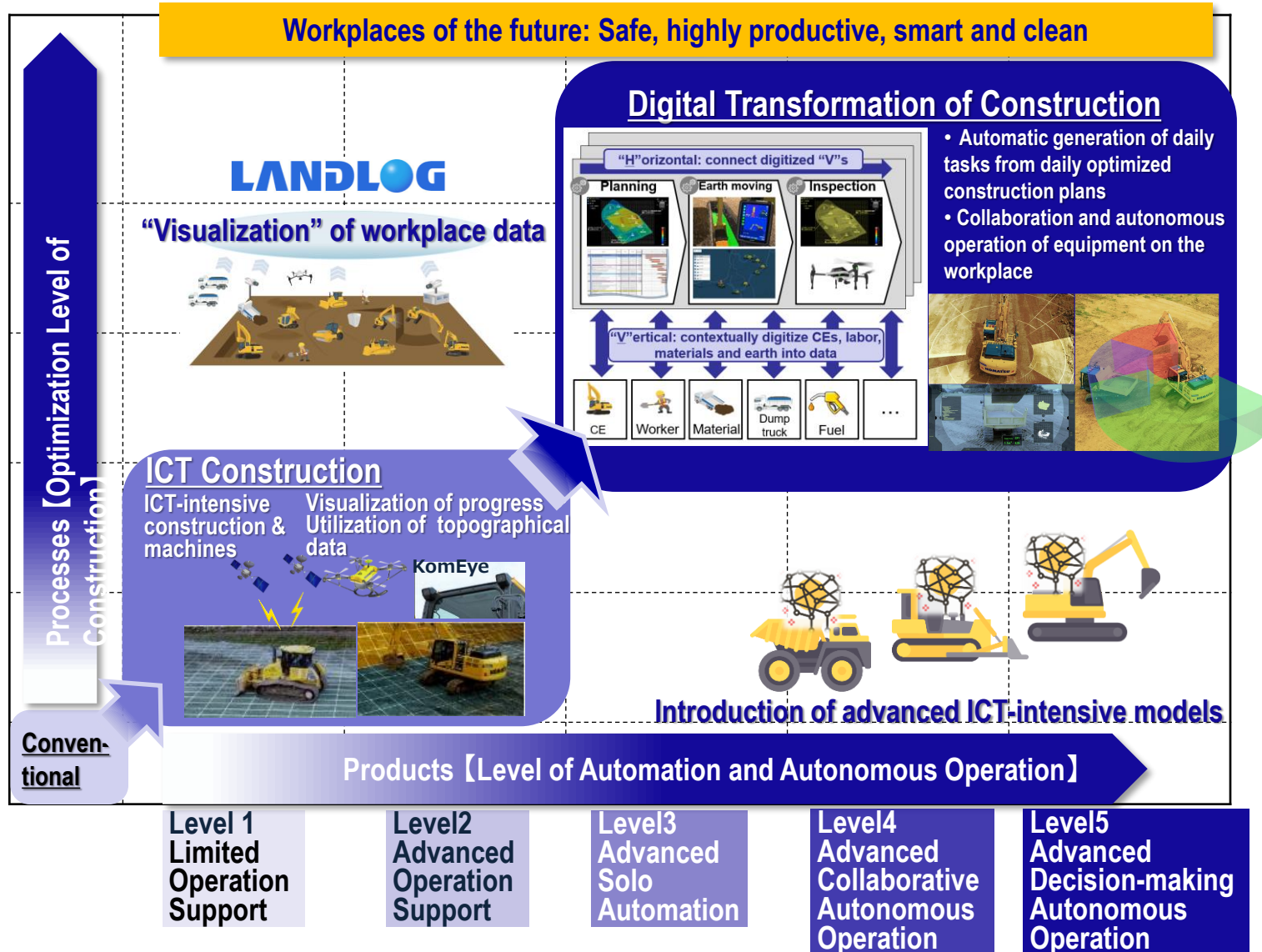
We will accelerate the speed of advancing the level of DANTOTSU products, DANTOTSU services and DANTOTSU solutions, and create DANTOTSU Value (ESG solutions through the creation of customer value and improvement of earnings).

DANTOTSU Value (ESG solutions through the creation of customer value and improvement of earnings)







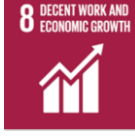


6. Roadmap to Construction Workplaces of the Future

We will achieve digital transformation of construction by advancing products (automation and autonomous operation) and processes (optimization) to help create safe, highly productive, smart and clean workplaces of the future.



7. ESG Solutions through Core Business

We will help solve ESG issues through our core business by offering high-quality, high-performance products, service and solutions ensuring safety and reduction of environmental impact in response to climate change.

CSR Themes	ESG Solutions through Core Business	Relationship with SDGs
<p>Enhancing Quality of Life</p> <p>-Providing products required by society-</p>	<ul style="list-style-type: none"> ➤ Provide products, service and solutions contributing to sustainable development of infrastructure, natural resources and circular environmental protection (remanufacturing and forestry). ➤ Improve productivity, efficiency, safety and environmental impact (lower CO2 emissions and higher ratio of renewable energy use) through innovations, such as automation in the entire value chain. ➤ Make commitment to DANTOTSU value which will realize better Earth and future by means of technology and reliability (creation and maximization of customer value). 	<p>Innovation and Infrastructure Sustainable Cities and Communities</p>   <p>Climate action Partnerships for the goals</p>  
<p>Developing People</p>	<ul style="list-style-type: none"> ➤ Develop a diverse workforce with a high level of productivity and technical skills. ➤ Strengthen and develop diverse and global-scope talent to help achieve sustainable workplaces. ➤ Develop talent with cross-value chain capabilities. 	<p>Decent work and economic growth</p> 
<p>Growing with Society</p>	<ul style="list-style-type: none"> ➤ Offer solutions for social issues through collaboration with stakeholders. ➤ Act as a responsible corporate citizen ensuring corporate governance, compliance and human rights. 	<p>Sustainable Cities and Communities Partnerships for the goals</p>  

Further Disclosure of Information

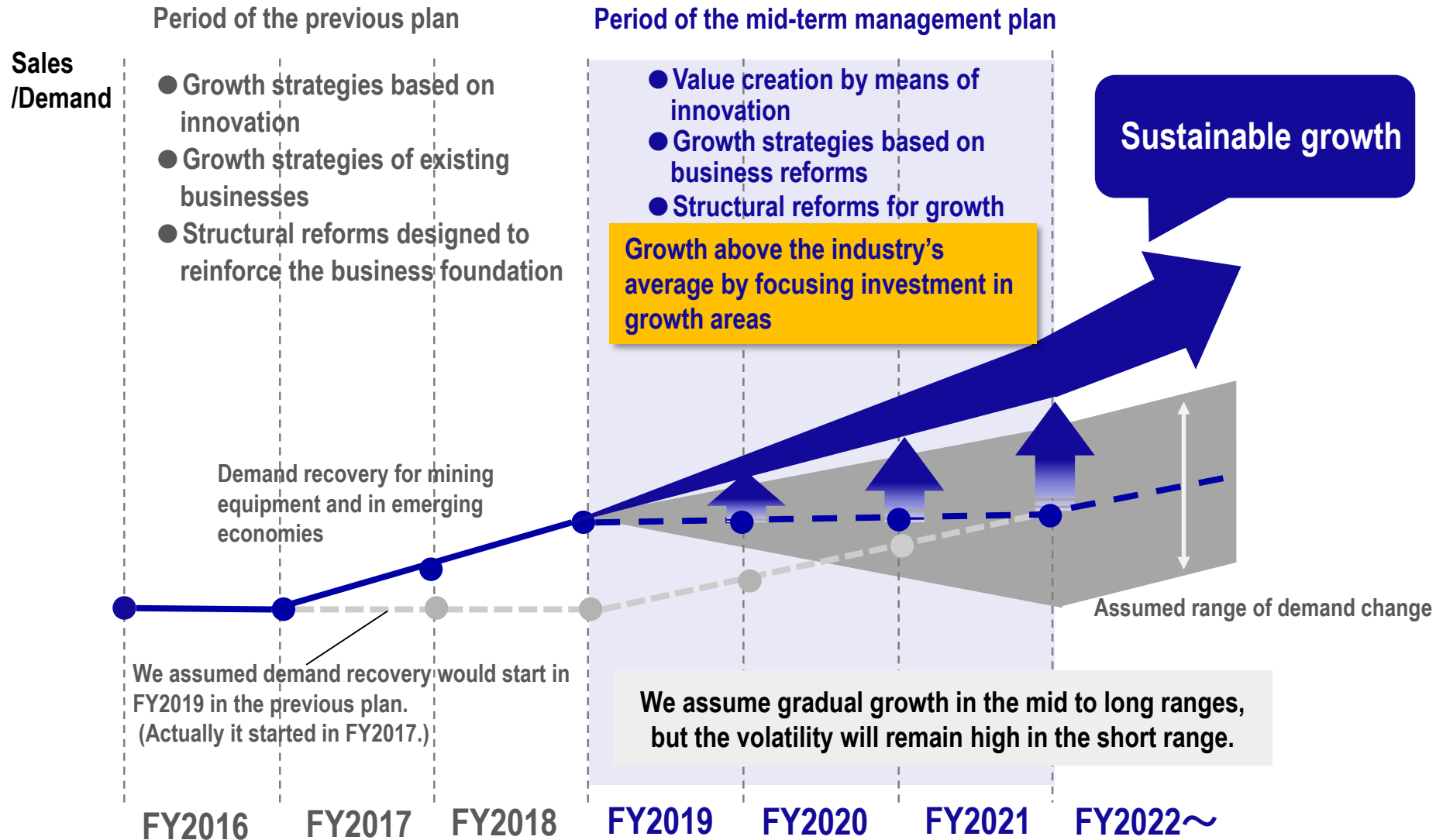
Express Support for TCFD*
(April 2019)

Integrated report (New Komatsu Report)
(September 2019)

*Task Force on Climate-related Financial Disclosures

8. Sustainable Growth by Focusing Investment in Three Pillars

We will strive for growth above the industry's average by making priority investment in growth areas, as we assess cost effectiveness and strategic value under the three pillars of growth strategies.



9. Management Targets and Profit Distribution

In addition to striving for the industry's top-level growth, profitability, efficiency, and soundness, we have newly set up ESG indexes. Placing priority on investment for growth strategies, we will work to maintain stable dividends and keep 40% or higher for consolidated payout ratio.

	Index	Targets
Growth	<ul style="list-style-type: none"> Sales growth rate 	<ul style="list-style-type: none"> Growth rate above the industry's average
Profitability	<ul style="list-style-type: none"> Operating profit ratio 	<ul style="list-style-type: none"> An Industry's top-level operating income ratio
Efficiency	<ul style="list-style-type: none"> ROE 	<ul style="list-style-type: none"> ROE of 10% or higher
Financial position	<ul style="list-style-type: none"> Net D/E ratio 	<ul style="list-style-type: none"> Industry's top-level financial position
Retail finance business	<ul style="list-style-type: none"> ROA Net D/E ratio 	<ul style="list-style-type: none"> ROA: 1.5-2.0% 5.0 or under for net debt-to-equity ratio

<p>[New] ESG</p>	<ul style="list-style-type: none"> Reduction of environmental impact Evaluation by external organizations 	<ul style="list-style-type: none"> Reduction of environmental impact <ul style="list-style-type: none"> CO₂ emissions: Decrease by 50% in 2030 from 2010. Renewal energy use : Increase to 50% of total energy use in 2030. Evaluation by external organizations: Selected for DJSI ^{*1} (World & Asia Pacific) and CDP^{*2} A-list (Climate Changes and Water Risk)
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<p>Shareholder return</p>	<ul style="list-style-type: none"> Dividend payout ratio 	<ul style="list-style-type: none"> Keep a fair balance between investment for growth and shareholder return (incl. stock buyback), while placing main priority on investment. Set the goal of a consolidated payout ratio of 40% or higher.
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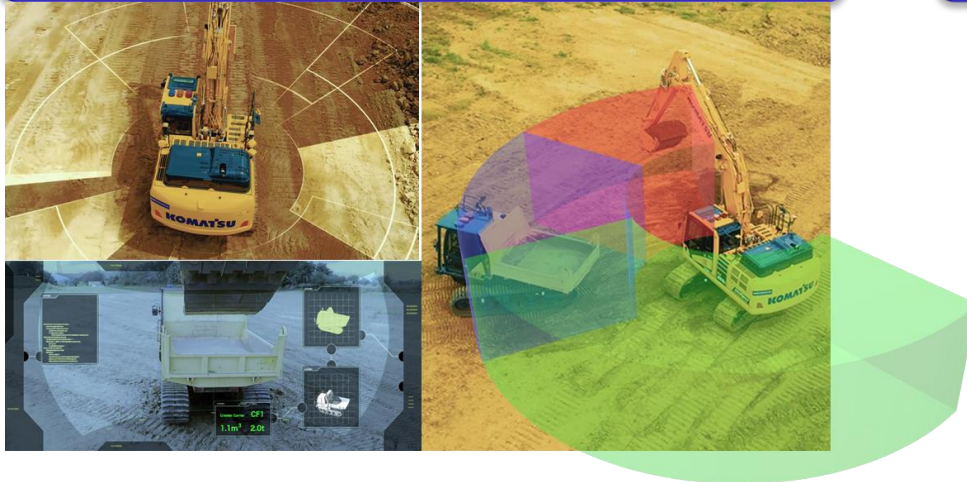
Notes: 1) Dow Jones Sustainability Indices: SRI indices operated by S&P Dow Jones Indices of U.S.A. and RobecoSAM of Switzerland

2) International non-profit organization, protecting water resources and forests by advocating the reduction of greenhouse gas emissions by companies and governments

Our Future Vision

• We will draw an image of how we would like to look in the future and develop efforts of focus and KPIs for the image by backcasting.

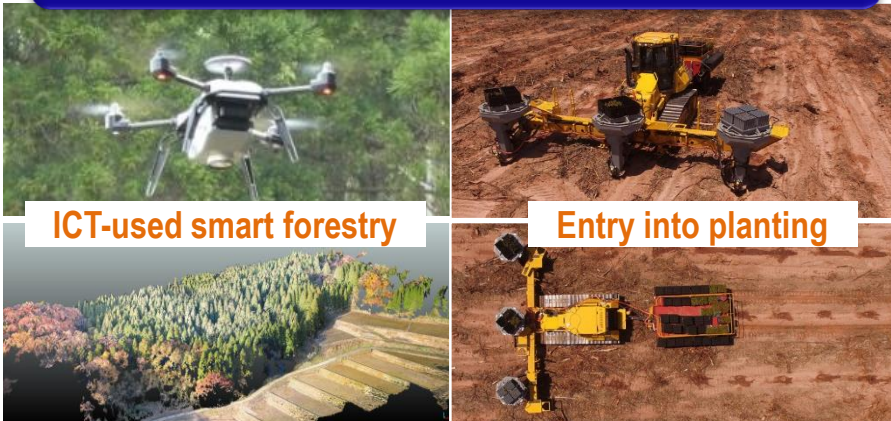
Future construction equipment (Automated, autonomous, electric and remote-controlled)



Optimization platform and solutions business (Reduction of environmental impact and improved safety and productivity)



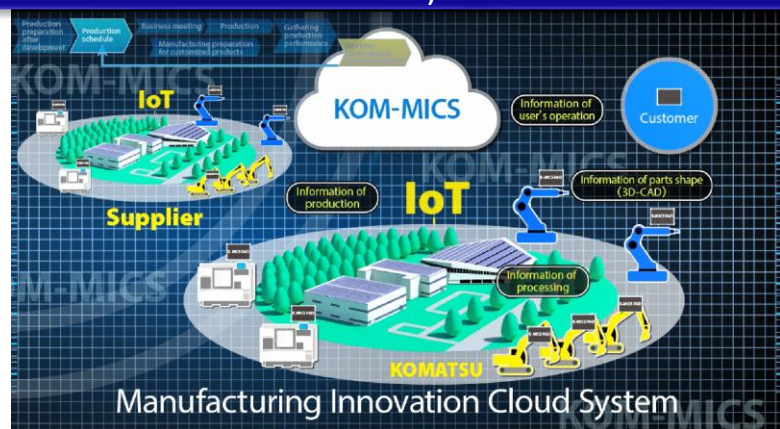
Promotion of smart forestry (Circular environmental protection)



ICT-used smart forestry

Entry into planting

Future Plant (Connected plants with Zero impact on environment and workers)



Manufacturing Innovation Cloud System

3. Social contributions - Efforts for ESG -

Relationship between Growth Strategies and ESG Issues

• In our next mid-range management plan, we uphold the approach of promoting sustainable growth through a positive cycle of improving earnings and solving ESG issues. Accordingly, we will find and define KPIs of ESG in the area where the two major efforts of improving earnings and solving ESG issues overlap.

<Growth strategies to achieve
Komatsu's management principle>

Maximization of corporate value

Enhancement of corporate brand value

**Solutions for
ESG issues**

Positive cycle =
Sustainable growth

【 Three pillars of Growth strategies 】

- 1) Value creation by means of innovation
- 2) Growth strategies based on operation reforms
- 3) Structural reforms for growth.

Positive cycle =
Sustainable growth

**Improvement of
earnings**

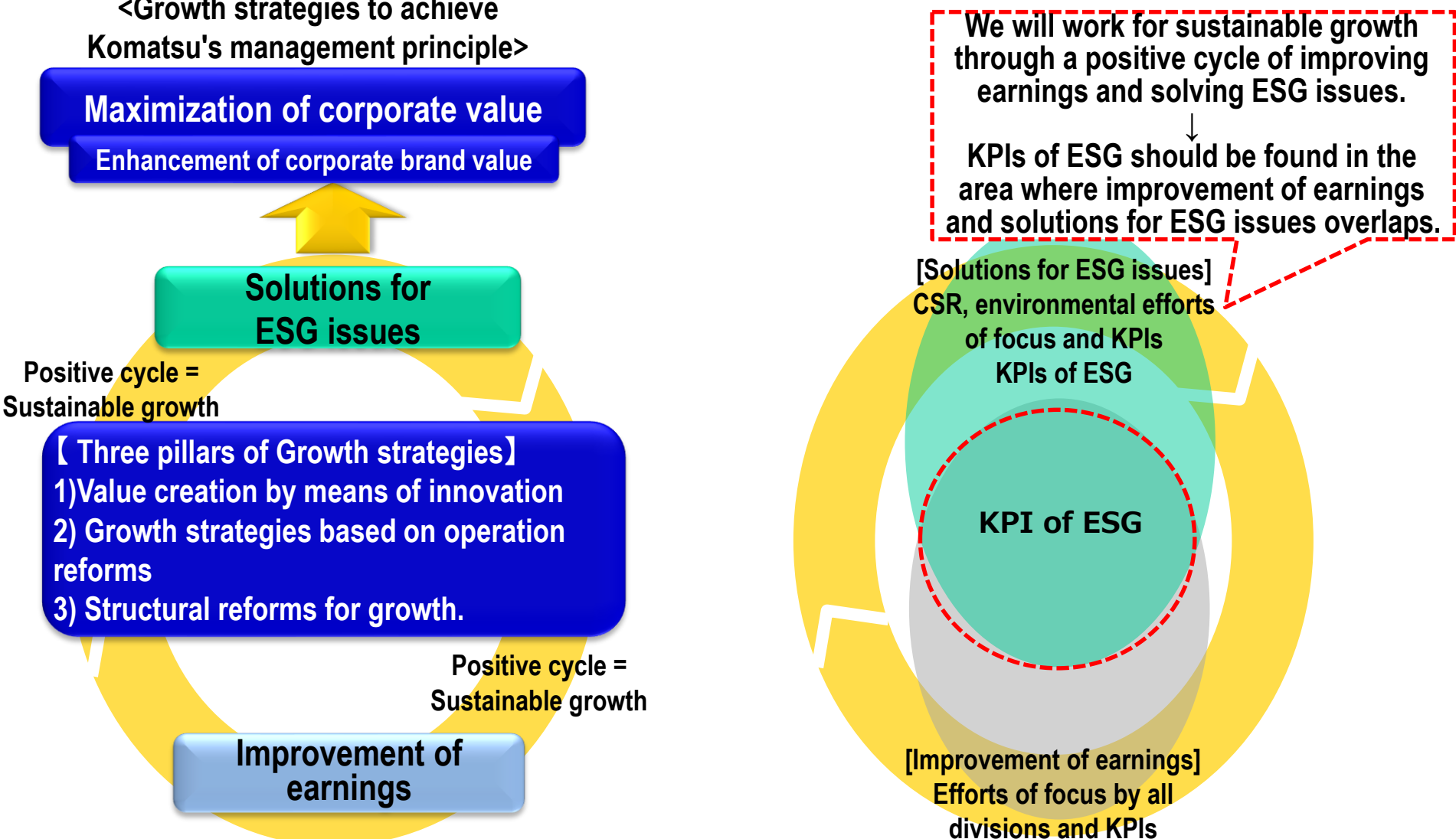
We will work for sustainable growth through a positive cycle of improving earnings and solving ESG issues.

KPIs of ESG should be found in the area where improvement of earnings and solutions for ESG issues overlaps.

[Solutions for ESG issues]
CSR, environmental efforts
of focus and KPIs
KPIs of ESG

KPI of ESG

[Improvement of earnings]
Efforts of focus by all
divisions and KPIs



Solutions for ESG Issues by Implementing Three Pillars of Our Growth Strategies: Efforts of Focus and KPI(1)

To measure the effectiveness of solving ESG issues by engaging in three pillars of growth strategies, we will define KPIs which integrate financial and non-financial activities and follow them up. Concerning KPIs to be listed in the integrated report (public disclosure), we will separately discuss their selection and how to express them.

CSR Themes	Key points of efforts of focus of Next Mid-term Management Plan	
Enhancing Quality of Life -Providing products required by society-	Reduction of CO ₂ emissions (in comparison to FY2010)	
	<ul style="list-style-type: none"> Reduction of CO₂ emissions from product use (fuel-efficiency equipment, hybrid hydraulic excavator, rate of SMARTCONSTRUCTION use, enhancement of ICT-intensive construction, mine automation, and underground mining equipment) 	16% reduction (in comparison to FY2010)
	<ul style="list-style-type: none"> Reduction of CO₂ emissions from production (plants with zero impact on environment and workers) 	40% reduction (in comparison to FY2010)
	Plants with zero impact on environment and workers	
	<ul style="list-style-type: none"> Rate of renewable energy use (including purchase of renewable energy) 	15%
	<ul style="list-style-type: none"> Work environment burden coefficient (particle matter density) 	30% reduction (in comparison to FY2018)
	<ul style="list-style-type: none"> Water consumption 	40% reduction (in comparison to FY2010)
	Value chain reforms and redefinition of the aftermarket business	
	<ul style="list-style-type: none"> Spare parts sales 	11% increase
	<ul style="list-style-type: none"> Reman component lifespan (compared to new components) 	16,000 workhours (80% of new components)
	Assurance of mine operation safety and productivity	
	<ul style="list-style-type: none"> AHS units' population (promotion of mining platform business) 	380 (aggregate)
	DANTOTSU Product, DANTOTSU Service, and DANTOTSU Solution	
	<ul style="list-style-type: none"> ICT-intensive equipment introduced 	1,590 units (per year)
	<ul style="list-style-type: none"> Sites adopting SMARTCONSTRUCTION 	4,850 (per year)
	<ul style="list-style-type: none"> Automation, autonomous operation, electrification, and remote-controlling of equipment 	
	<ol style="list-style-type: none"> Automation of construction equipment 	Test introduction of hydraulic excavators for automated loading
	<ol style="list-style-type: none"> Automation, autonomous operation, and remote operation of mining equipment 	Entry into mining bulldozer market
	<ol style="list-style-type: none"> Automation of utility equipment 	Development of technology for automated forklifts
	<ol style="list-style-type: none"> Enhancement of mining equipment and hard rock mining businesses 	Expansion of product series
Agricultural solutions and smart forestry		
<ul style="list-style-type: none"> Creation of construction equipment demand in agricultural field 	Japan: Expand lineup of agricultural loaders Indonesia: Increase number of users of agricultural techniques employing agricultural bulldozers	
<ul style="list-style-type: none"> Smart forestry projects 	50	
IoT and ICT work reforms		
<ul style="list-style-type: none"> Sales in KOM-MICS platform business (visualization of production equipment operation) 	1,900 units (including for internal use)	

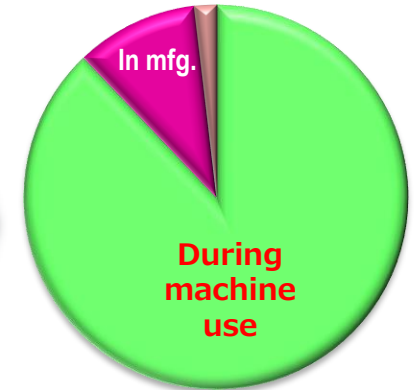
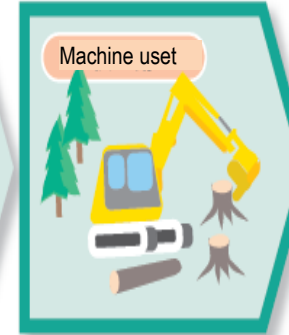
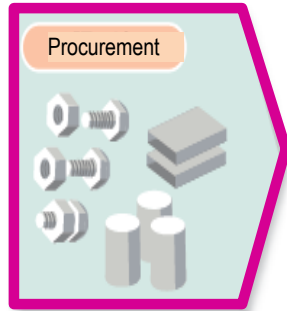
Solutions for ESG Issues by Implementing Three Pillars of Our Growth Strategies: Efforts of Focus and KPI(2)

CSR Themes	Key points of efforts of focus of Next Mid-term Management Plan	
Developing People	Development of a diverse workforce with a high level of productivity and technical skills	
	<ul style="list-style-type: none"> Enhancing employee engagement 	Improvement of global surveys and indexes
	<ul style="list-style-type: none"> Work process reforms through expansion of diverse and flexible workstyles 	Total workhours of less than 2,100; introduction of telework system (Japan)
	<ul style="list-style-type: none"> Promotion of KOMATSU Way (global dissemination of KOMATSU Way) 	Training hours and number of participants
	Strengthening and development of diverse and global-scope talent to help achieve sustainable workplaces	
	<ul style="list-style-type: none"> Revision of role of Japan in global management 	Shifting of human resources to projects and improvement activities; globalization of organizations on by-function basis
	<ul style="list-style-type: none"> Foundations for global measures (systems, frameworks) 	Introduction
	<ul style="list-style-type: none"> Empowerment of female employees ((1) non-consolidated ratio of female employees, (2) non-consolidated ratio of female managers, (3) consolidated ratio of female managers (Japan)) 	(1) 12.5%, (2) 10.0%, and (3) 5.0%
	<ul style="list-style-type: none"> Rate of employment of people with disabilities (comply with requirements in Japan) 	Above 2.3% (legally mandated rate)
	<ul style="list-style-type: none"> Support for regional human resource development for job creation (regional human resource development with Cummins Inc.) 	Chile, Australia, South Africa, others
Growing with Society	Development of talent with cross-value chain capabilities	
	<ul style="list-style-type: none"> Cultivation of SMARTCONSTRUCTION consultants (capable of proposing solutions using ICT to improve productivity and safety throughout construction workplaces) 	430 (aggregate)
	Resolutions to social issues through collaboration with stakeholders	
	<ul style="list-style-type: none"> Promotion of industry-government-academia collaboration as well as of collaboration with customers 	Promotion of Brand Management and activities creating value for customers
	<ul style="list-style-type: none"> Shareholders and individual investors (shareholder meetings, shareholder factory tours, individual investor meetings) 	Number of meetings held
	<ul style="list-style-type: none"> Institutional investors (ESG meetings) 	Number of meetings held
	<ul style="list-style-type: none"> Communities (business site fairs) 	Number of fairs held
	<ul style="list-style-type: none"> Employees (meetings) 	Number of meetings held
Action as a responsible corporate citizen addressing corporate governance, compliance, and human rights		
<ul style="list-style-type: none"> Occupational health and safety, support for establishing environmental and safety systems at suppliers, response to Japan's Corporate Governance Code (corporate governance reports), evaluations of effectiveness of Board of Directors, internal control, and internal audits 	Ongoing improvements made in reflection of relevant laws and regulations and social expectations	

Efforts to Reduce CO₂ Emissions

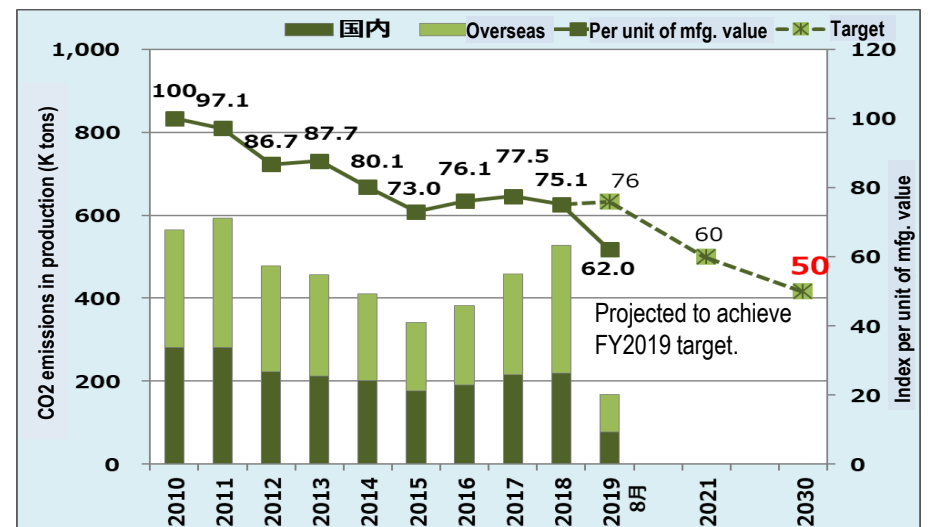
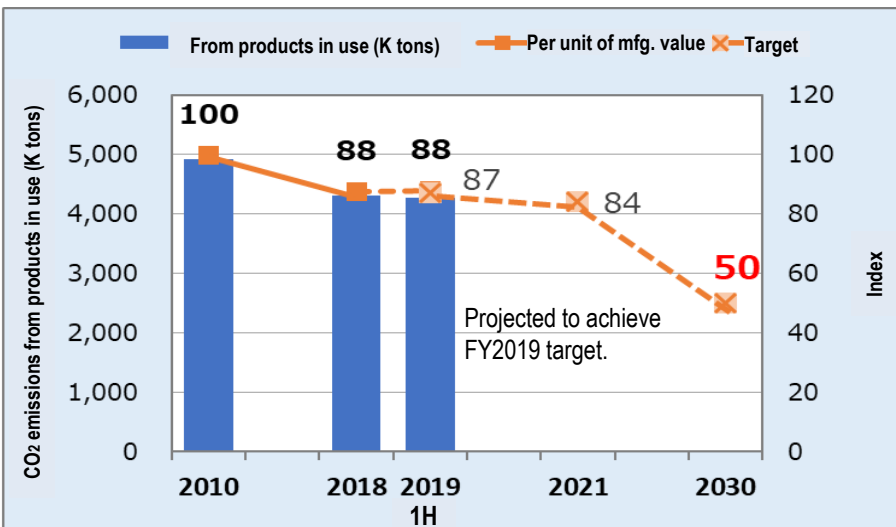
CO₂ emission of construction equipment in use account for about 90% of total emissions in their lifecycle from production to disposal.

Breakdown of CO₂ emissions in the lifecycle of construction equipment



CO₂ emissions in production: **-50% in 2030**

CO₂ emissions from machines in use: **-50% in 2030**



1. Demining and developing communities in Cambodia

Opening ceremony for the 9th elementary school held in July



Ms. Urano, Director, with female members

Pupils studying at the new school

2. Disposal of unexploded bombs in Laos

This elementary school built on UXB disposed land after 3 years of work



We have built a **total of 10 elementary schools.**

Cambodia (2008 – 1H, FY2019)

- Demined: 2,166ha/2,064 pieces
- Roads (new + repaired): 73km
- Schools built : **9**

Laos (2016 – 1H, FY2019)

- UXB disposed: 328ha/3,670 pieces
- School built : **1**

3. CSR project for agriculture started in Cambodia

Planning to deploy **3 construction equipment**, incl. a agricultural bulldozer, in January 2020.

1. D21PL-8
(with PTO)

2. WA100-6
(with PTO)

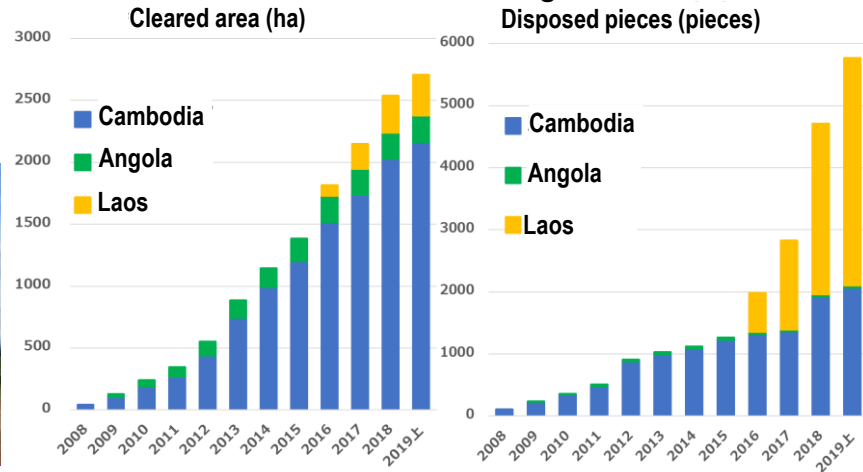
3. PC120-8



For rice cultivation

For farming

For irrigation canals



Cambodia (2008 – 1H, FY2019)

- Demined: 2,166ha/2,064 pieces
- Roads (new + repaired): 73km
- Schools built : **9**

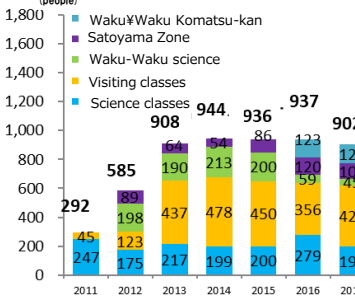
Laos (2016 – 1H, FY2019)

- UXB disposed: 328ha/3,670 pieces
- School built : **1**

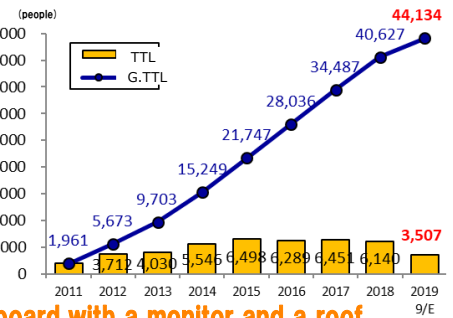
Komatsu-no-Mori, Flower Association of Japan and Women's Judo

1. Komatsu-no-Mori (451,839 total visitors on Sep. 2019)

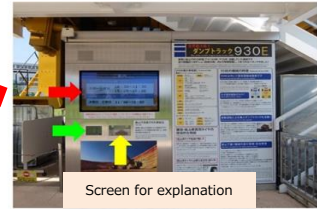
Classroom participants



Volunteer Participants



In front of the 930E dump truck, a signboard with a monitor and a roof were installed at the test drive climb!



You can now see in the video that the super-large dump truck is actually working.

We go to each factory and event to go to the classroom!

- May Awazu Plant fair 200 people
- Jul Monozukuri Stadium 71 people
- Jul Kanazawa Plant fair 85 people
- Sep Komatsu NTC Fair 169 people

3. Women's Judo

World Judo Championships in Tokyo (Personal)

Tsukasa Yoshida 57kg Silver Medal!
Miku Tashiro 63kg Silver Medal!

All Japan Business Judo Personal Championships

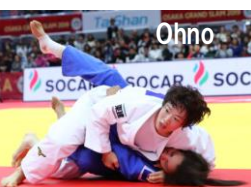
Akemi Hashimoto 78kg Champion!!

Grand-Slam Osaka (Personal)

Yoko Ohno 70kg Champion!!
Chen-Ling Lien 57kg Second place!

World Judo Championships in Tokyo (Mixed-gender team)

Tsukasa Yoshida 57kg
Yoko Ohno 70kg
Gold Medal!!



2. Flower Association of Japan

Activities to increase intimacy with Komatsu employees

【First half results】

- 1) Gardening Course in HQ(Jun)
- 2) Advice on making flower beds in Ibaraki(Jul)
- 3) Gardening Course in Tochigi(Jul)
- 4) Cooperation in the creation of flower beds in Koriyama(Jul)
- 5) Gardening classes in Koriyama plant fair(Sep)

【Second half plan】

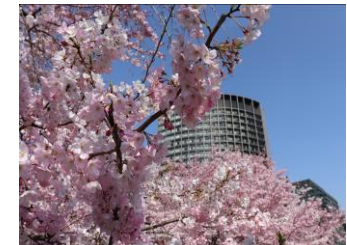
- 1) 1st Sakuramori Training Course in Ishikawa(Oct)
- 2) 2nd Sakuramori Training Course(Feb)
- 3) We support flower bed making and gardening courses at factories. ***Please tell us!**

Ibaraki Factory is selected for the national flower town development competition!



Nadeshiko team and BCC flower bed making was evaluated

The Japanese Flower Association's recommended 'Kamishiro-an' attracted attention from the mass media and attracted a lot of attention.



National Theatre near Chidorigafuchi

Thank you.



Since you are building a road for humans, build one for animals as well.

The grand prix in the 68th Nikkei Advertising Award
Sponsored by Nikkei Inc.