

## FAQ: Business Results for the Nine-Month Period of FY2017

Q1: Please update us on the progress made in the nine-month period towards the projected full-year business results for FY2017.

A1: Concerning consolidated net sales for the nine-month period, we have achieved 78% of the projected figures. In addition to excellent sales in North America, China, and Asia, our performance was favorably affected by more-than-projected depreciation of the Japanese yen.

Q2: Tell us about the market conditions of mining equipment.

A2: We have been enjoying good demand for parts and orders for small and medium-sized models. While we see some signs of recovery in orders received for super-large dump trucks, we will continue to closely watch other super-large models and KMC's products.

Q3: Tell us about the conditions and outlook of Chinese construction equipment market.

A3: At present, demand for new equipment is strong, reflecting the good progress of infrastructure development projects nationwide. We will closely monitor demand after Chinese New Year, while paying careful attention to possible effects of the environmental regulations.

(end)