

RECORD HIGHS

Fourth Consecutive Year of Growth in Sales and Profits

	Results For The Year	Change (2006/2005)
<input checked="" type="checkbox"/> Sales	1,701.9 billion yen	UP 18.6%
<input checked="" type="checkbox"/> Operating profit*	176.4 billion yen	UP 73.1%
<input checked="" type="checkbox"/> Income before income taxes	169.0 billion yen	UP 71.3%
<input checked="" type="checkbox"/> Net income	114.2 billion yen	UP 93.7%

*Operating profit is the sum of segment profit (net sales less cost of sales and selling, general and administrative expenses). It conforms to Japanese accounting principles, and does not represent consolidated operating profit under U.S.GAAP.

Financial Highlights

Komatsu Ltd. and Consolidated Subsidiaries
Years ended March 31, 2006, 2005 and 2004

	Millions of yen (except per share amounts)			Thousands of U.S. dollars (except per share amounts)
	2006	2005	2004	2006
Net sales	¥1,701,969	¥1,434,788	¥1,196,418	\$14,546,744
Japan	528,985	521,135	483,749	4,521,239
Overseas	1,172,984	913,653	712,669	10,025,505
Income before income taxes, minority interests and equity in earnings of affiliated companies	169,073	98,703	27,036	1,445,068
Net income	114,290	59,010	26,963	976,838
Net income per share—basic	¥ 115.13	¥ 59.51	¥ 27.17	98.40¢
—diluted	¥ 114.93	¥ 59.47	¥ 27.16	98.23¢
ROE	20.8%	13.1%	6.6%	—
ROA	10.9%	7.1%	2.0%	—
Total assets	1,652,125	1,449,068	1,348,645	14,120,726
Shareholders' equity	622,997	477,144	425,507	5,324,760
Shareholders' equity per share	¥ 626.98	¥ 481.27	¥ 428.73	535.88¢
Capital expenditures	136,628	89,019	78,049	1,167,760
Research and development expenses	50,211	46,448	42,602	429,154
Number of employees	34,597	33,008	31,635	—

Sales by Operation

	Millions of yen			Thousands of U.S. dollars
	2006	2005	2004	2006
Construction and Mining Equipment	¥1,291,223	¥1,061,161	¥ 863,244	\$11,036,094
Industrial Machinery, Vehicles and Others	300,160	266,455	241,991	2,565,470
Electronics	110,586	107,172	91,183	945,180
Net sales	¥1,701,969	¥1,434,788	¥1,196,418	\$14,546,744

Sales by Region

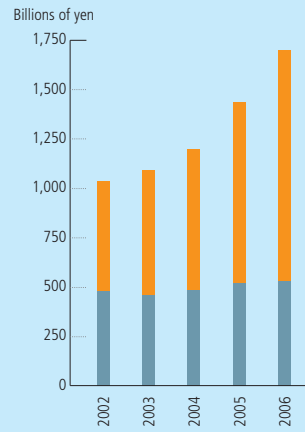
	Millions of yen			Thousands of U.S. dollars
	2006	2005	2004	2006
Japan	¥ 528,985	¥ 521,135	¥ 483,749	\$ 4,521,239
The Americas	482,222	359,572	277,302	4,121,556
Europe and CIS	242,386	203,581	151,619	2,071,675
China	94,312	55,837	87,127	806,086
Asia (excluding Japan and China) and Oceania	237,989	210,861	135,542	2,034,094
Middle East and Africa	116,075	83,802	61,079	992,094
Net sales	¥1,701,969	¥1,434,788	¥1,196,418	\$14,546,744

The above sales by region are presented based on sales destination.

The United States dollar amounts represent translations of Japanese yen amounts at the rate of \$1=¥117.

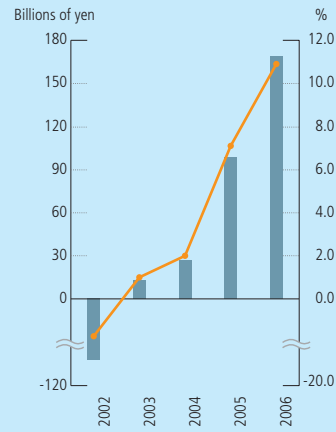
See Note 1 of Notes to Consolidated Financial Statements.

Net Sales



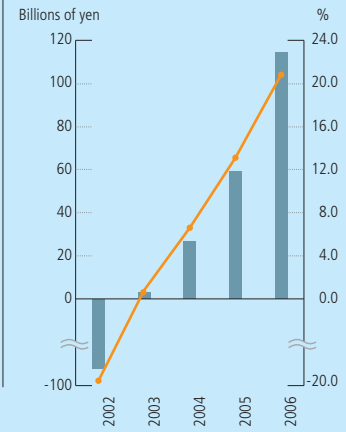
■ Japan
■ Overseas

Income (loss) before Income Taxes, Minority Interests and Equity in Earnings of Affiliated Companies and ROA



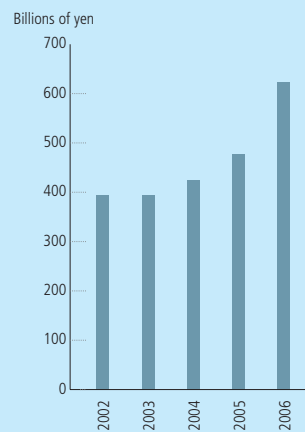
■ Income before Income Taxes, Minority Interests and Equity in Earnings of Affiliated Companies
— ROA

Net Income (loss) and ROE

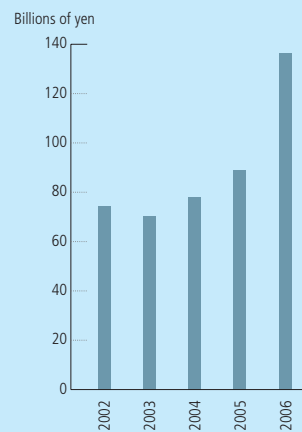


■ Net Income
— ROE

Shareholders' Equity



Capital Expenditures



Research and Development Expenses

