

**Komatsu Ltd.**

Corporate Communications Dept.

Tel: +81-(0)3-5561-2616

Date: July 28, 2010

 URL: <http://www.komatsu.com/>

## Consolidated Business Results for the First Quarter of the Fiscal Year Ending March 31, 2011 (U.S. GAAP)

### 1. Results for the First Quarter of the Fiscal Year Ending March 31, 2011

(Amounts are rounded to the nearest million yen)

#### (1) Consolidated Financial Highlights

Millions of yen except per share amounts

	First quarter ended June 30, 2010	First quarter ended June 30, 2009	Changes	
	[A]	[B]	[A-B]	[(A-B)/B]
Net sales	447,140	320,428	126,712	39.5%
Operating income	54,075	8,273	45,802	553.6%
Income before income taxes and equity in earnings of affiliated companies	50,104	8,728	41,376	474.1%
Net income attributable to Komatsu Ltd.	30,697	4,763	25,934	544.5%
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	¥ 31.72	¥ 4.92	¥ 26.80	
Diluted	¥ 31.70	¥ 4.92	¥ 26.78	

#### (2) Consolidated Financial Position

Millions of yen except per share amounts

	As of June 30, 2010	As of March 31, 2010
Total assets	1,903,163	1,959,055
Total equity	860,767	876,799
Komatsu Ltd. shareholders' equity	818,506	833,975
Komatsu Ltd. shareholders' equity ratio	43.0%	42.6%
Komatsu Ltd. shareholders' equity per share (Yen)	¥ 845.79	¥ 861.51

### 2. Dividends

(For the fiscal years ended March 31, 2010 and ending March 31, 2011)

	2010	2011 Projections
Cash dividends per share (Yen)		
First quarter period		
Interim (Second quarter period)	8.00	14.00
Third quarter period		
Year-end	8.00	14.00
Total	16.00	28.00

Note: Changes in the projected cash dividend as of July 28, 2010: None

### 3. Projections for the Fiscal Year Ending March 31, 2011

(From April 1, 2010 to March 31, 2011)

Millions of yen except per share amounts

	The first half of the year		The full fiscal year	
		Changes		Changes
Net sales	870,000	34.7%	1,715,000	19.8%
Operating income	90,000	354.9%	179,000	167.0%
Income before income taxes and equity in earnings of affiliated companies	86,000	366.1%	171,000	163.2%
Net income attributable to Komatsu Ltd.	52,000	534.3%	105,000	212.9%
Net income attributable to Komatsu Ltd. per share (basic) (Yen)	¥ 53.72		¥ 108.47	

Note: Percentages shown above represent the rates of change compared with the corresponding periods a year ago.

### 4. Others

- (1) Changes in important subsidiaries during the first quarter period under review: None
- (2) Use of simplified accounting procedures and adaptation of specific accounting procedures for the preparation of consolidated quarterly financial statements: None
- (3) Changes in accounting standards, procedures and presentations for the preparation of consolidated quarterly financial statements
  - 1) Changes resulting from revisions in accounting standards, etc.: None
  - 2) Change in other matters except for 1) above: None
- (4) Number of common shares outstanding
  - 1) The numbers of common shares issued (including treasury stock) were as follows:
    - As of June 30, 2010: 998,744,060 shares
    - As of March 31, 2010: 998,744,060 shares
  - 2) The numbers of shares of treasury were as follows:
    - As of June 30, 2010: 30,997,503 shares
    - As of March 31, 2010: 30,704,084 shares
  - 3) The weighted average numbers of common shares outstanding were as follows:
    - First quarter period ended June 30, 2010: 967,834,078 shares
    - First quarter period ended June 30, 2009: 967,910,177 shares

## **Appendix**

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## Management Performance and Financial Conditions

### (1) Outline of Operations and Business Results

Komatsu Ltd. and its consolidated subsidiaries (hereinafter “Komatsu”) embarked on the new three-year management plan, “Global Teamwork for Tomorrow” in April this year. Under this new mid-range management plan, Komatsu began concerting efforts on activities of importance, including 1) promotion of ICT applications to products and parts, 2) development of products for improved environmental friendliness and safety, 3) expansion of sales and service operations in Strategic Markets which include China, Asia, Oceania, Latin America and Africa, and 4) promotion of continuous Kaizen (improvement) by strengthening workplace capability.

During the first quarter period (three months from April 1 to June 30, 2010) of the fiscal year ending March 31, 2011, the first year of the ongoing mid-range management plan, demand for construction and mining equipment increased in all regions of the world from the corresponding period a year ago. Demand for industrial machinery also began to show signs of recovery. Against this backdrop, consolidated net sales totaled JPY447.1 billion (USD5,081 million, at USD1=JPY88), up 39.5% from the previous first quarter. While the Japanese currency appreciated sharply against the U.S. dollar and euro from the previous first quarter, Komatsu made sizable gains in first-quarter profits by enhancing productivity in addition to expanding sales. Specifically, operating income reached JPY54.0 billion (USD614 million), up 553.6%, and operating income ratio advanced to 12.1%, an improvement of 9.5 percentage points. Income before income taxes and equity in earnings of affiliated companies increased by 474.1% to JPY50.1 billion (USD569 million). Net income attributable to Komatsu Ltd. totaled JPY30.6 billion (USD349 million), up 544.5%.

Millions of yen

	<b>First quarter ended June 30, 2010</b>  1USD=JPY91 1EUR=JPY115 1RMB=JPY13.4	First quarter ended June 30, 2009  1USD=JPY97 1EUR=JPY133 1RMB=JPY14.2	Changes
	[A]	[B]	[(A-B)/B]
Net sales	<b>447,140</b>	320,428	39.5%
Operating income	<b>54,075</b>	8,273	553.6%
Income before income taxes and equity in earnings of affiliated companies	<b>50,104</b>	8,728	474.1%
Net income attributable to Komatsu Ltd.	<b>30,697</b>	4,763	544.5%

Business results by operation are described below.

### **Construction, Mining and Utility Equipment**

While Komatsu continued to work to expand production capacity and product support capability in Strategic Markets by anticipating their market growth, demand expanded especially in China, Asia and Latin America in the first quarter under review. In the Traditional Markets of Japan, North America and Europe, demand bottomed out, and thus showed improvement from the corresponding period a year ago. Against the backdrop of demand recovery worldwide, consolidated net sales of construction, mining and utility equipment advanced by 42.3% from the previous first quarter, to JPY405.2 billion (USD4,605 million).

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

Millions of yen

	<b>First quarter ended June 30, 2010</b>	First quarter ended June 30, 2009	Changes	
	[A]	[B]	[A-B]	[(A-B)/B]
Japan	<b>54,419</b>	51,727	2,692	5.2%
Americas	<b>98,249</b>	72,816	25,433	34.9%
Europe & CIS	<b>39,603</b>	32,096	7,507	23.4%
China	<b>98,493</b>	55,497	42,996	77.5%
Asia* & Oceania	<b>92,972</b>	54,397	38,575	70.9%
Middle East & Africa	<b>21,470</b>	18,162	3,308	18.2%
Total	<b>405,206</b>	284,695	120,511	42.3%

\*Excluding Japan and China

### Japan

Demand for construction equipment bottomed out in Japan, and was supported by the recovery of private-sector capital investment in addition to the public-sector works remaining from the previous fiscal supplementary budget. Komatsu especially strengthened sales efforts in the quarry industry. First-quarter sales increased from the corresponding period a year ago.

In May this year, Komatsu Castex Ltd., a wholly owned subsidiary headquartered in Himi City, Toyama Prefecture in Japan, completed the construction of a new plant and expanded its production capacity for iron castings, a material for engine and other parts. This move is part of Komatsu's efforts to expand its production capacity by anticipating growth in global demand for construction and mining equipment.

### Americas

In North America, while the economies fell short of recovery, particularly as the U.S. housing starts remained sluggish, the operating rate of construction equipment began to increase gradually. Demand stopped falling after three and half years, and upturned for growth from the corresponding period a year ago. In Latin America, demand continued to expand in mining, civil engineering, agriculture and other sectors in Brazil, the largest market of this region. In Chile, demand for mining equipment remained strong. While demand recovered, Komatsu worked to increase selling prices in the Americas and strengthened sales and product support operations, particularly for mines in Latin America. As a result, first-quarter sales in the Americas improved from the corresponding period a year ago.

### Europe & CIS

In Europe where the drastic decline in demand had continued, demand stopped falling, mainly in Germany, England and France, in the first quarter under review. Against this backdrop, Komatsu worked to strengthen its product support capability and expand sales of parts by teaming up with its distributors. As a result, first-quarter sales increased from the corresponding period a year ago. In CIS, demand for mining equipment began to recover, and first-quarter sales improved from the previous first quarter.

In Russia, Komatsu completed the construction of a plant of Komatsu Manufacturing Rus, LLC in June this year to produce hydraulic excavators and other equipment. Komatsu is anticipating mid to long-range growth in demand for construction and mining equipment in Russia, as the developments of natural resources and infrastructure will advance into the future. By promoting local production, Komatsu is

better positioned to not only capture this growth of demand, but also cut down logistical costs and inventories and further strengthen product support operations.

### **China**

Demand expanded sharply, as urbanization advanced and large-scale infrastructure development projects, such as railways and highways, continued under the leadership of the Chinese government. First-quarter sales increased from the corresponding period a year ago.

By anticipating further market expansion, Komatsu worked to reinforce production, sales and service operations. Specific measures included the plant transfer of Komatsu (Changzhou) Construction Machinery Corp., start-up preparations for Komatsu (Shandong) Cast Steel Co., Ltd, a manufacturing subsidiary for steel castings, and the KC Techno Center, and training of distributors' service engineers in the special program, which Komatsu has sponsored since 2004, at the Shandong Jiaotong University.

### **Asia & Oceania**

In Indonesia, the largest market of Southeast Asia, demand expanded substantially in civil engineering, agriculture and forestry sectors, in addition to mining. Demand also advanced in India, Thailand and Malaysia. In Australia, demand was strong in the mining sector. Against this backdrop, first-quarter sales in Asia & Oceania increased from the corresponding period a year ago, driven by doubled sales in Asia. In the first quarter under review, Komatsu also worked to reinforce operations, including the reorganization of distributors in Thailand and Australia. Furthermore, Komatsu continued to emphasize training of service engineers, who are capable of working around the world, at the Komatsu H.R.D. Center (Philippines) which was opened in 2008.

### **Middle East & Africa**

The number of inquiries began to increase centering on mining equipment, as the trend of economic deterioration was reversed and commodities prices stabilized. Against this backdrop, while sales in Africa declined slightly from the corresponding period a year ago, sales expanded in the Middle East where sales had previously plummeted. As a result, first-quarter sales in the Middle East & Africa increased from the previous first quarter. Komatsu is expecting market expansion into the future to be accompanied by the development of new mines and the recovery of infrastructure development. Komatsu continued to strengthen its product support capability by establishing a training center jointly with a distributor in Kenya, following the training center opened in Senegal in the previous fiscal year.

### **Industrial Machinery and Others**

Capital investment by the automobile manufacturing industry began to recover, centering on our Strategic Markets, such as China, India and Brazil. The number of orders received for large presses, small and medium-sized sheet metal and forging machines as well as machine tools upturned for growth. In addition, as the solar cell market continued to burgeon, sales of wire saws for use in slicing silicon ingots expanded, especially in China. As a result, first-quarter sales increased by 17.4% from the corresponding period a year ago, to JPY41.9 billion (USD477 million).

**(2) Financial Conditions**

As of June 30, 2010, total assets had decreased by JPY55.8 billion from the previous fiscal year-end, to JPY1,903.1 billion (USD21,627 million), largely due to the Japanese yen's appreciation against other major currencies. Interest-bearing debt decreased by JPY30.8 billion from the previous fiscal year-end, to JPY555.5 billion (USD6,313 million). Komatsu Ltd. shareholders' equity decreased by JPY15.4 billion from the previous fiscal year-end, to JPY818.5 billion (USD9,301 million). As a result, Komatsu Ltd. shareholders' equity ratio increased by 0.4 percentage points from the previous fiscal year-end, to 43.0%. Net debt-to-equity ratio\* was 0.57 compared to 0.60 as of the previous fiscal year-end.

*\* Net debt-to-equity ratio = (Interest-bearing debt – Cash and cash equivalents – Time deposits) / Komatsu Ltd. shareholders' equity*

For the first quarter period under review, net cash provided by operating activities increased by JPY54.3 billion from the corresponding period a year ago, to JPY55.2 billion (USD628 million), mainly due to an increase in net income. Net cash used in investing activities declined by JPY3 billion from the corresponding period a year ago, to JPY17.2 billion (USD196 million). Net cash used in financing activities totaled JPY30.8 billion (USD350 million), an increase of JPY45.4 billion, mainly due to repayments on short-term debt. As a result, cash and cash equivalents, as of June 30, 2010, totaled JPY84.3 billion (USD958 million), an increase of JPY1.9 billion from the previous fiscal year-end.

**(3) Projections for the Fiscal Year Ending March 31, 2011**

(From April 1, 2010 to March 31, 2011)

On July 13, the Company revised its projections of business results for the fiscal year ending March 31, 2011, which are shown on page 2 of this release.

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**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.

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## Financial Statements

### (1) Condensed Consolidated Balance Sheets

#### Assets

Millions of yen

	As of June 30, 2010		As of March 31, 2010	
		Ratio (%)		Ratio (%)
<b>Current assets</b>				
Cash and cash equivalents	¥ 84,329		¥ 82,429	
Time deposits	2,087		1,132	
Trade notes and accounts receivable	426,152		447,693	
Inventories	378,691		396,416	
Deferred income taxes and other current assets	122,549		112,451	
<b>Total current assets</b>	<b>1,013,808</b>	<b>53.3</b>	1,040,121	53.1
<b>Long-term trade receivables</b>	<b>157,560</b>	<b>8.3</b>	150,972	7.7
<b>Investments</b>				
Investments in and advances to affiliated companies	23,263		24,002	
Investment securities	54,482		60,467	
Other	2,121		2,399	
<b>Total investments</b>	<b>79,866</b>	<b>4.2</b>	86,868	4.4
<b>Property, plant and equipment</b>				
- Less accumulated depreciation	504,058	26.5	525,100	26.8
<b>Goodwill</b>	<b>28,697</b>	<b>1.5</b>	29,570	1.5
<b>Other intangible assets</b>	<b>59,851</b>	<b>3.1</b>	61,729	3.2
<b>Deferred income taxes and other assets</b>	<b>59,323</b>	<b>3.1</b>	64,695	3.3
<b>Total</b>	<b>¥ 1,903,163</b>	<b>100.0</b>	¥ 1,959,055	100.0

## Liabilities and Equity

Millions of yen

	As of June 30, 2010		As of March 31, 2010	
		Ratio (%)		Ratio (%)
<b>Current liabilities</b>				
Short-term debt	¥ 97,478		¥ 123,438	
Current maturities of long-term debt	111,160		105,956	
Trade notes, bills and accounts payable	229,918		207,024	
Income taxes payable	12,881		22,004	
Deferred income taxes and other current liabilities	166,062		183,324	
<b>Total current liabilities</b>	<b>617,499</b>	<b>32.5</b>	<b>641,746</b>	<b>32.7</b>
<b>Long-term liabilities</b>				
Long-term debt	346,873		356,985	
Liability for pension and retirement benefits	42,260		46,354	
Deferred income taxes and other liabilities	35,764		37,171	
<b>Total long-term liabilities</b>	<b>424,897</b>	<b>22.3</b>	<b>440,510</b>	<b>22.5</b>
<b>Total liabilities</b>	<b>1,042,396</b>	<b>54.8</b>	<b>1,082,256</b>	<b>55.2</b>
<b>Komatsu Ltd. shareholders' equity</b>				
Common stock	67,870		67,870	
Capital surplus	140,421		140,421	
Retained earnings:				
Appropriated for legal reserve	32,726		31,983	
Unappropriated	746,295		724,090	
Accumulated other comprehensive income (loss)	(133,506)		(95,634)	
Treasury stock	(35,300)		(34,755)	
<b>Total Komatsu Ltd. shareholders' equity</b>	<b>818,506</b>	<b>43.0</b>	<b>833,975</b>	<b>42.6</b>
<b>Noncontrolling interests</b>	<b>42,261</b>	<b>2.2</b>	<b>42,824</b>	<b>2.2</b>
<b>Total equity</b>	<b>860,767</b>	<b>45.2</b>	<b>876,799</b>	<b>44.8</b>
<b>Total</b>	<b>¥ 1,903,163</b>	<b>100.0</b>	<b>¥ 1,959,055</b>	<b>100.0</b>

## (2) Condensed Consolidated Statements of Income

Millions of yen except per share amounts

	First quarter ended June 30, 2010		First quarter ended June 30, 2009	
		Ratio (%)		Ratio (%)
Net sales	¥ 447,140	100.0	¥ 320,428	100.0
Cost of sales	329,856	73.8	252,473	78.8
Selling, general and administrative expenses	62,947	14.1	59,486	18.6
Other operating income (expenses), net	(262)	(0.1)	(196)	(0.1)
<b>Operating income</b>	<b>54,075</b>	<b>12.1</b>	8,273	2.6
<b>Other income (expenses), net</b>	<b>(3,971)</b>		455	
Interest and dividend income	1,021	0.2	1,859	0.6
Interest expense	(1,669)	(0.4)	(2,731)	(0.9)
Other, net	(3,323)	(0.7)	1,327	0.4
<b>Income before income taxes and equity in earnings of affiliated companies</b>	<b>50,104</b>	<b>11.2</b>	8,728	2.7
<b>Income taxes</b>	<b>17,466</b>	<b>3.9</b>	2,181	0.7
<b>Income before equity in earnings of affiliated companies</b>	<b>32,638</b>	<b>7.3</b>	6,547	2.0
<b>Equity in earnings of affiliated companies</b>	<b>641</b>	<b>0.1</b>	(101)	(0.0)
<b>Net income</b>	<b>33,279</b>	<b>7.4</b>	6,446	2.0
<b>Less net income attributable to noncontrolling interests</b>	<b>(2,582)</b>	<b>(0.6)</b>	(1,683)	(0.5)
<b>Net income attributable to Komatsu Ltd.</b>	<b>¥ 30,697</b>	<b>6.9</b>	¥ 4,763	1.5
<b>Net income attributable to Komatsu Ltd. per share (Yen)</b>				
Basic	31.72		4.92	
Diluted	31.70		4.92	

### (3) Consolidated Statements of Equity

First quarter ended June 30, 2010

Millions of yen

	Common stock	Capital surplus	Retained earnings		Accumulated other comprehensive income (loss)	Treasury stock	Total Komatsu Ltd. shareholders' equity	Noncontrolling interests	Total equity
			Appropriated for legal reserve	Unappropriated					
Balance at March 31, 2010	¥67,870	¥140,421	¥31,983	¥724,090	¥(95,634)	¥(34,755)	¥833,975	¥42,824	¥876,799
Cash dividends				(7,749)			(7,749)	(102)	(7,851)
Transfer to retained earnings appropriated for legal reserve			743	(743)			-	-	-
Other changes							-	-	-
Comprehensive income (loss)									
Net income				30,697			30,697	2,582	33,279
Other comprehensive income (loss), for the period, net of tax									
Foreign currency translation adjustments					(35,245)		(35,245)	(2,983)	(38,228)
Net unrealized holding gains (losses) on securities available for sale					(3,350)		(3,350)	-	(3,350)
Pension liability adjustments					(215)		(215)	-	(215)
Net unrealized holding gains (losses) on derivative instruments					938		938	(60)	878
Comprehensive income (loss)							(7,175)	(461)	(7,636)
Purchase of treasury stock						(545)	(545)		(545)
Sales of treasury stock						-	-		-
Balance at June 30, 2010	¥67,870	¥140,421	¥32,726	¥746,295	¥(133,506)	¥(35,300)	¥818,506	¥42,261	¥860,767

First quarter ended June 30, 2009

Millions of yen

	Common stock	Capital surplus	Retained earnings		Accumulated other comprehensive income (loss)	Treasury stock	Total Komatsu Ltd. shareholders' equity	Noncontrolling interests	Total equity
			Appropriated for legal reserve	Unappropriated					
Balance at March 31, 2009	¥67,870	¥140,092	¥28,472	¥719,222	¥(105,744)	¥(34,971)	¥814,941	¥33,393	¥848,334
Cash dividends				(17,431)			(17,431)	(300)	(17,731)
Transfer to retained earnings appropriated for legal reserve			2,309	(2,309)			-	-	-
Other changes							-	1,753	1,753
Comprehensive income (loss)									
Net income				4,763			4,763	1,683	6,446
Other comprehensive income (loss), for the period, net of tax									
Foreign currency translation adjustments					7,131		7,131	1,590	8,721
Net unrealized holding gains (losses) on securities available for sale					3,477		3,477	-	3,477
Pension liability adjustments					1,323		1,323	-	1,323
Net unrealized holding gains (losses) on derivative instruments					28		28	254	282
Comprehensive income (loss)							16,722	3,527	20,249
Purchase of treasury stock						(7)	(7)		(7)
Sales of treasury stock		(98)				206	108		108
Balance at June 30, 2009	¥67,870	¥139,994	¥30,781	¥704,245	¥(93,785)	¥(34,772)	¥814,333	¥38,373	¥852,706

#### (4) Consolidated Statements of Cash Flows

	Millions of yen	
	First quarter ended June 30, 2010	First quarter ended June 30, 2009
<b>Operating activities</b>		
Net income	¥ 33,279	¥ 6,446
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	21,433	22,003
Deferred income taxes	8,308	(5,535)
Net loss (gain) from sale of investment securities and subsidiaries	33	65
Net loss (gain) on sale of property	(585)	(95)
Loss on disposal of fixed assets	457	396
Pension and retirement benefits, net	(3,074)	(1,290)
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	(15,202)	7,327
Decrease (increase) in inventories	(4,336)	32,124
Increase (decrease) in trade payables	32,280	(46,896)
Increase (decrease) in income taxes payable	(8,086)	(2,373)
Other, net	(9,261)	(11,265)
Net cash provided by (used in) operating activities	55,246	907
<b>Investing activities</b>		
Capital expenditures	(18,829)	(24,927)
Proceeds from sale of property	2,043	5,342
Proceeds from sale of available for sale investment securities	2	73
Purchases of available for sale investment securities	(536)	(1,500)
Acquisition of subsidiaries and equity investees, net of cash acquired	762	1,153
Collection of loan receivables	305	353
Disbursement of loan receivables	(27)	(677)
Decrease (increase) in time deposits	(935)	(88)
Net cash provided by (used in) investing activities	(17,215)	(20,271)
<b>Financing activities</b>		
Proceeds from long-term debt	17,893	55,954
Repayments on long-term debt	(5,367)	(7,207)
Increase (decrease) in short-term debt, net	(25,478)	(6,217)
Repayments of capital lease obligations	(9,977)	(9,430)
Sale (purchase) of treasury stock, net	(6)	101
Dividends paid	(7,749)	(17,431)
Other, net	(133)	(1,117)
Net cash provided by (used in) financing activities	(30,817)	14,653
<b>Effect of exchange rate change on cash and cash equivalents</b>	(5,314)	310
<b>Net increase (decrease) in cash and cash equivalents</b>	1,900	(4,401)
<b>Cash and cash equivalents, beginning of year</b>	82,429	90,563
<b>Cash and cash equivalents, end of period</b>	¥ 84,329	¥ 86,162

## (5) Note to the Going Concern Assumption

None

## (6) Business Segment Information

### 1) Operating Segments

(For the first quarter ended June 30, 2010)

Millions of yen

	Construction, Mining and Utility Equipment	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:					
Customers	405,206	41,934	447,140	--	447,140
Intersegment	438	2,303	2,741	(2,741)	--
Total	405,644	44,237	449,881	(2,741)	447,140
Segment profit	54,265	2,035	56,300	(1,963)	54,337

(For the first quarter ended June 30, 2009)

Millions of yen

	Construction, Mining and Utility Equipment	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:					
Customers	284,695	35,733	320,428	--	320,428
Intersegment	786	4,043	4,829	(4,829)	--
Total	285,481	39,776	325,257	(4,829)	320,428
Segment profit	7,437	2,877	10,314	(1,845)	8,469

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, recycling equipment, industrial vehicles, other equipment, engines & components, casting products, and logistics

#### b) Industrial Machinery and Others

Metal forging & stamping presses, sheet-metal machines, machine tools, defense systems, temperature-control equipment, and others

2) Transfers between segments are made at estimated arm's-length prices.

### 2) Geographic Information

Net sales to customers recognized by sales destination for the first quarter ended June 30, 2010 and 2009 are as follows:

(For the first quarter ended June 30, 2010)

Millions of yen

	Japan	Americas	Europe & CIS	China	Asia* & Oceania	Middle East & Africa	Total
Net sales to customers	71,425	101,576	39,752	114,892	98,019	21,476	447,140

\*Excluding Japan and China

(For the first quarter ended June 30, 2009)

Millions of yen

	Japan	Americas	Europe & CIS	China	Asia* & Oceania	Middle East & Africa	Total
Net sales to customers	68,759	80,377	36,064	59,414	57,651	18,163	320,428

\*Excluding Japan and China

## (7) Note in Case of a Notable Changes in the Amount of Shareholders' Equity

None

(end)