
**Business Results for Three and Nine Months
ended December 31, 2008
&
Projections for the Fiscal Year ending March 31, 2009**

January 29, 2009

**Corporate Planning Division
Komatsu Ltd.**

1. Results for Three Months ended December 31, 2008

Highlights of Three Months ended December 31, 2008

1. Sales & Profits :

Net sales	431.4 bil yen, down 21.4%
Operating income	40.5 bil yen, down 48.4%
Operating income ratio	9.4%, down 4.9 points
Net income	12.9 bil yen, down 72.8%

2. Performance by business segment :

-Construction, Mining & Utility Equipment

Third-quarter sales and segment profit declined by 24.4% and 47.4%, respectively, from the corresponding quarter a year ago. Demand fell further in Japan, North America and Europe where demand was already falling, and the market environment rapidly deteriorated in emerging economies where demand had been thriving on infrastructure investment and resource development until the financial turmoil had affected their economies.

-Industrial Machinery & Others

Third-quarter sales increased by 10.3% but segment profit dropped by 52.0%. While sales of small and medium-sized presses and machine tools decreased as affected by restrained capital investment by automobile manufacturing and other industries, sales increased partly due to adding Komatsu NTC as a consolidated subsidiary, which enjoyed excellent sales of wire saws for use in the production of solar cells.

Sales and Profits for Three Months ended December 31, 2008

□ : Profit ratio

[] : Sales after elimination of inter-segment transactions

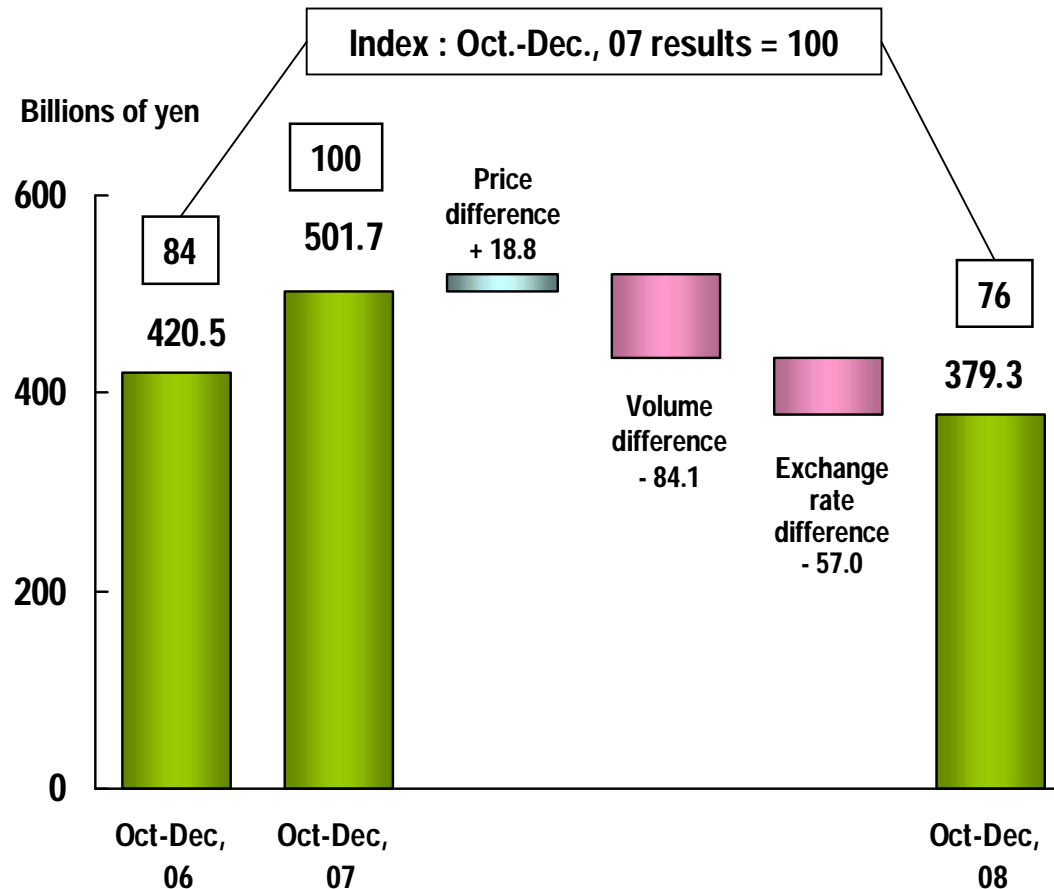
Billions of yen

	Oct.-Dec., 2007 1USD=113yen 1EUR=165yen	Oct.-Dec., 2008 1USD=95yen 1EUR=126yen	Increase (decrease)	
Net Sales	548.9	431.4	(117.5)	(21.4%)
Construction, Mining & Utility Equipment	[500.4] 501.7	[378.4] 379.3	[(121.9)] (122.3)	[(24.4%)] (24.4%)
Industrial Machinery & Others	[48.5] 53.3	[52.9] 58.8	[4.4] 5.4	[9.1%] 10.3%
Elimination	(6.1)	(6.8)	(0.6)	-
Segment profit	□ 14.3% 78.7	□ 9.6% 41.5	(37.1)	(47.2%)
Construction, Mining & Utility Equipment	□ 14.9% 74.7	□ 10.4% 39.3	(35.4)	(47.4%)
Industrial Machinery & Others	□ 9.2% 4.9	□ 4.0% 2.3	(2.5)	(52.0%)
Corporate & elimination	(0.8)	(0.1)	0.7	-
Other operating income (expenses)	(0.2)	(1.0)	(0.7)	-
Operating income	□ 14.3% 78.4	□ 9.4% 40.5	(37.9)	(48.4%)
Other income (expenses)	(2.2)	(19.1)	(16.8)	-
Income from continuing operations before income taxes	76.1	21.3	(54.8)	(71.9%)
Net income	47.7	12.9	(34.7)	(72.8%)

*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2007 are reclassified accordingly.

Construction, Mining & Utility Equipment : Causes for Difference in Sales

Oct.-Dec., 2007 v.s. Oct.-Dec., 2008



[Positive Factor]

- Price difference (price hike effect): + 18.8 billion yen resulting from price hikes in all regions since April 2008.

[Negative Factors]

-Volume difference: - 84.1 billion yen resulting from production adjustment to reduce distributors inventories in response to a drastic drop in demand in Japan, North America, Europe and some emerging economies.

-Exchange rate difference: - 57.0 billion yen resulting from the Japanese yen's appreciation against the US dollar, euro and currencies of resource-rich countries.

	[Oct-Dec, 2007]	[Oct-Dec, 2008]
USD	113 yen	95 yen
EUR :	165 yen	126 yen



Decreased sales of 122.3 bil yen.

Construction, Mining & Utility Equipment : Sales (To Outside Customers) by Region

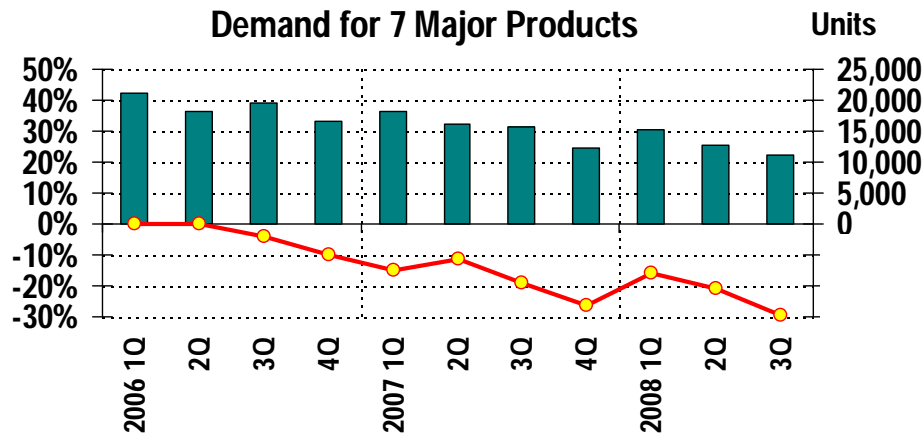
< Three months from October through December, 2008 > Billions of yen

	Oct.- Dec., 2007		Oct.-Dec., 2008		Increase (decrease)	
		%		%		%
Japan	100.8	20.1%	84.4	22.3%	(16.4)	(16.3%)
North America	69.6	13.9%	55.0	14.6%	(14.5)	(20.9%)
Latin America	46.1	9.2%	47.9	12.7%	1.8	4.0%
Europe	79.3	15.9%	24.6	6.5%	(54.6)	(68.9%)
CIS	25.1	5.0%	22.4	5.9%	(2.6)	(10.7%)
China	41.3	8.3%	23.9	6.3%	(17.3)	(42.0%)
Asia & Oceania	87.8	17.6%	65.1	17.2%	(22.6)	(25.8%)
Middle East & Africa	50.1	10.0%	54.6	14.5%	4.5	9.0%
Total	500.4	100%	378.4	100%	(121.9)	(24.4%)

Construction, Mining & Utility Equipment : Demand Trend in Major Markets (1)

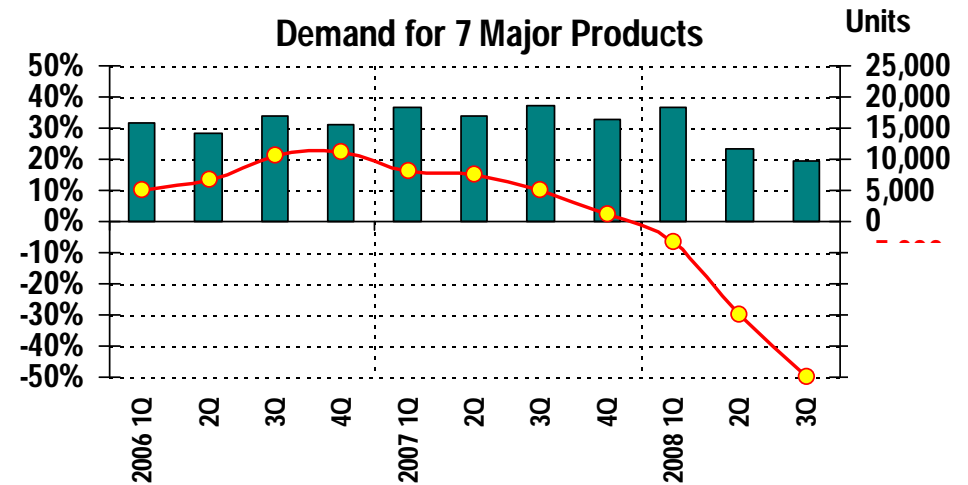
North America

Oct-Dec, 08 : Down 30% from Oct-Dec, 07
Apr-Dec, 08 : Down 22% from Apr-Dec, 07



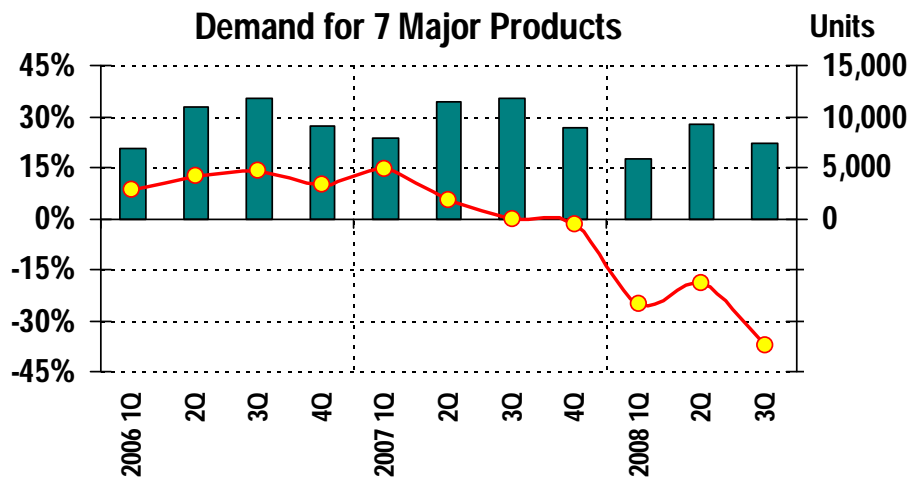
Europe

Oct-Dec, 08 : Down 50% from Oct-Dec, 07
Apr-Dec, 08 : Down 27% from Apr-Dec, 07



Japan

Oct-Dec, 08 : Down 38% from Oct-Dec, 07
Apr-Dec, 08 : Down 28% from Apr-Dec, 07



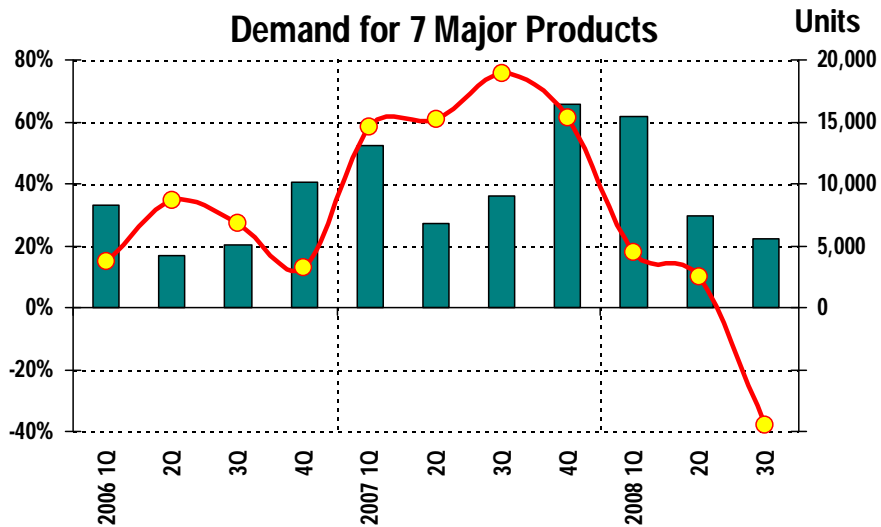
Market demand (unit basis) Growth ratio

Estimated by Komatsu

Construction, Mining & Utility Equipment : Demand Trend in Major Markets (2)

China

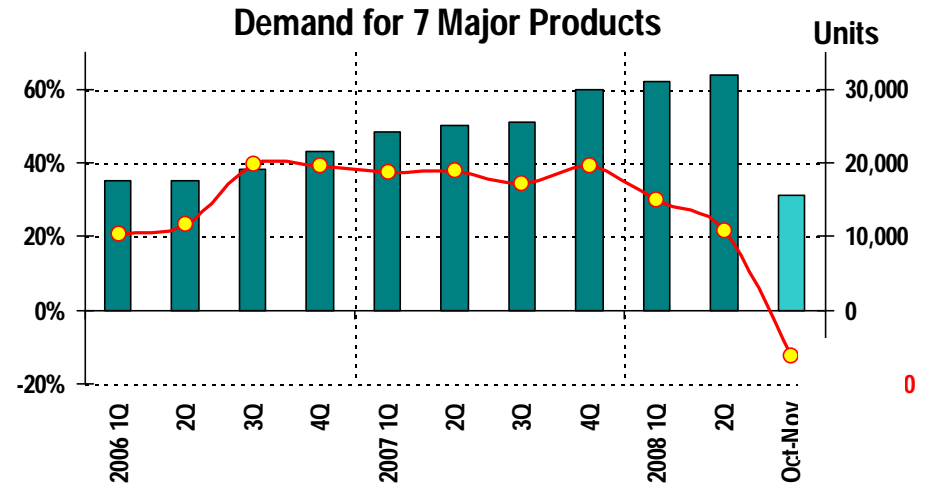
Oct-Dec, 08 : Down 38% from Oct-Dec, 07
Apr-Dec, 08 : Down 1% from Apr-Dec, 07



Others*

Oct-Dec, 08 : Down 12% from Oct-Dec, 07
Apr-Dec, 08 : Up 17% from Apr-Dec, 07

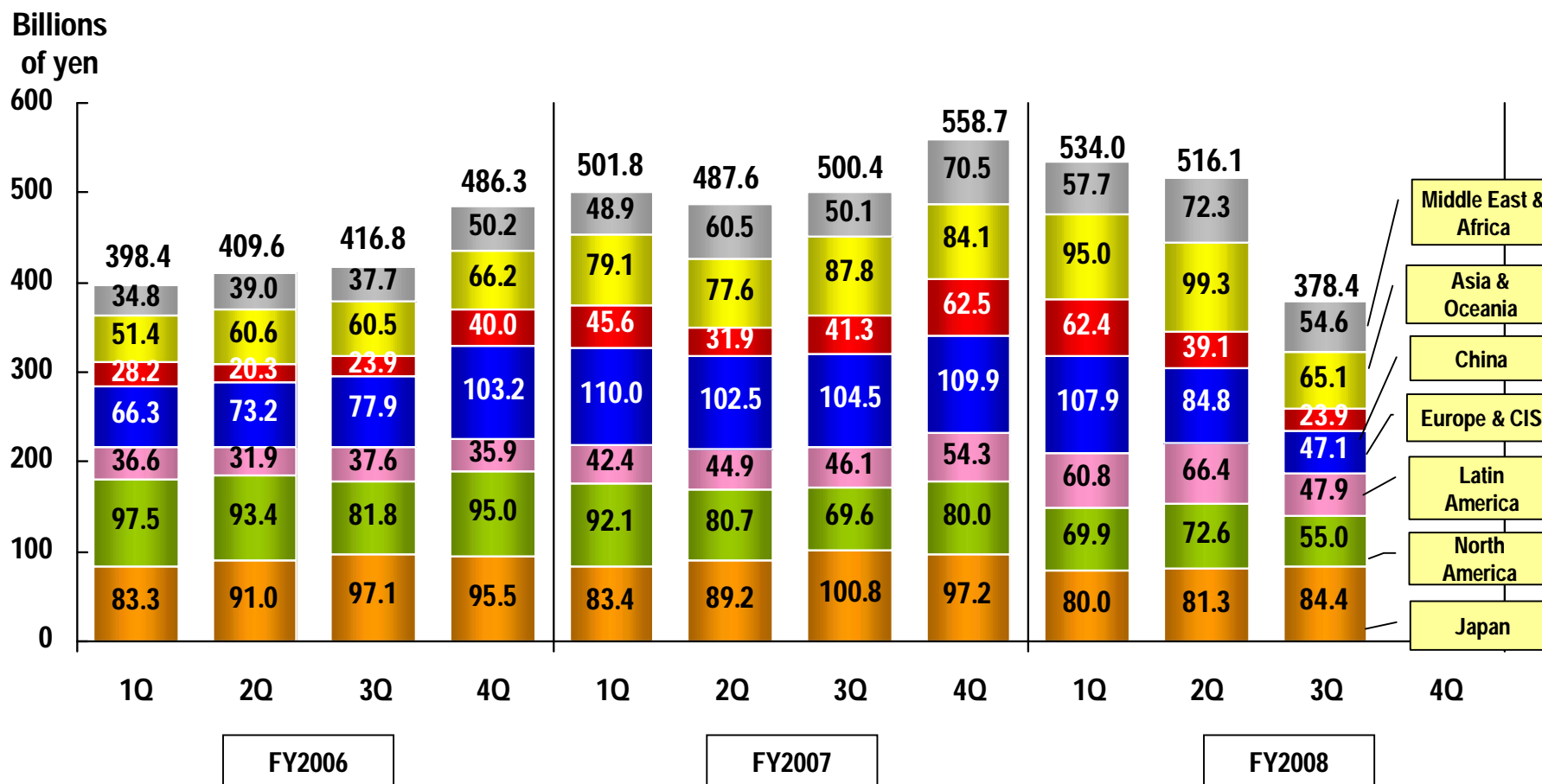
* Total of Asia, Oceania, CIS, Middle East, Africa and Latin America



Market demand (unit basis) Growth ratio

Estimated by Komatsu

Construction, Mining & Utility Equipment : Quarterly Sales (To Outside Customers) by Region



Exchange rates

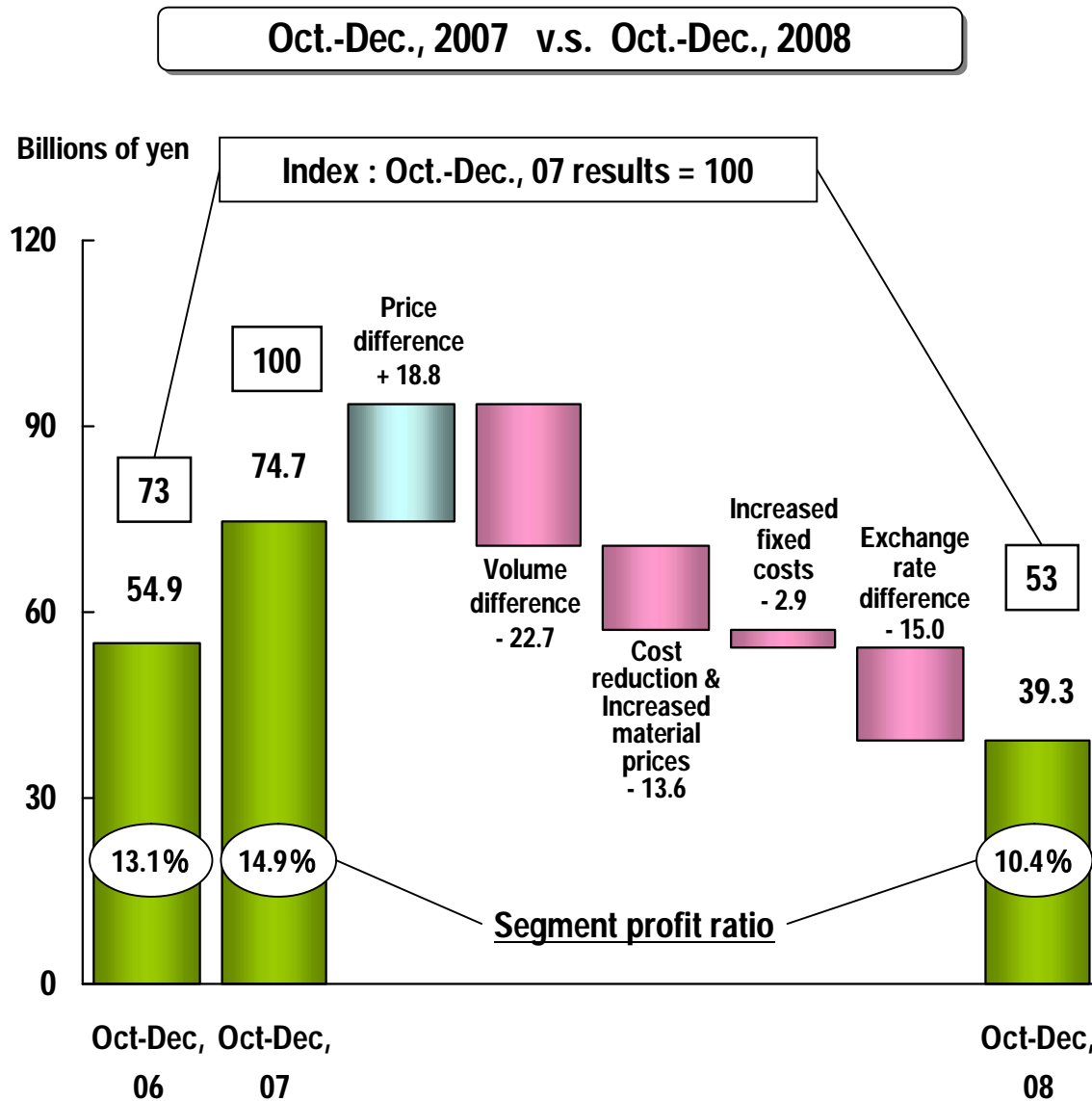
1USD	114yen	117yen	118yen	119yen
1EUR	145yen	149yen	153yen	157yen

122yen	117yen	113yen	104yen
164yen	162yen	165yen	158yen

105yen	107yen	95yen	-
165yen	159yen	126yen	-

*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2006 and FY2007 are reclassified accordingly.

Construction, Mining & Utility Equipment : Causes for Difference in Segment Profit



[Positive Factor]

- Price difference (price hike effect): + 18.8 billion yen in segment profit resulting from price hikes in all regions since April 2008.

[Negative Factors]

- Volume difference: - 22.7 billion yen resulting from production adjustment to reduce distributors' inventories in response to a drastic drop in demand in Japan, North America, Europe and some emerging economies.
- Cost reduction and increased material prices: - 13.6 billion yen resulting from increased prices for steel materials and other purchased items, which offset cost reduction efforts
- Increased fixed costs: - 2.9 billion yen reflecting increased fixed costs, such as business reinforcement expenses
- Foreign exchange rate difference: - 15.0 billion yen as affected by the Japanese yen's appreciation against the US dollar, euro and currencies of resource-rich countries.

Reduced profit of 35.4 bil yen.

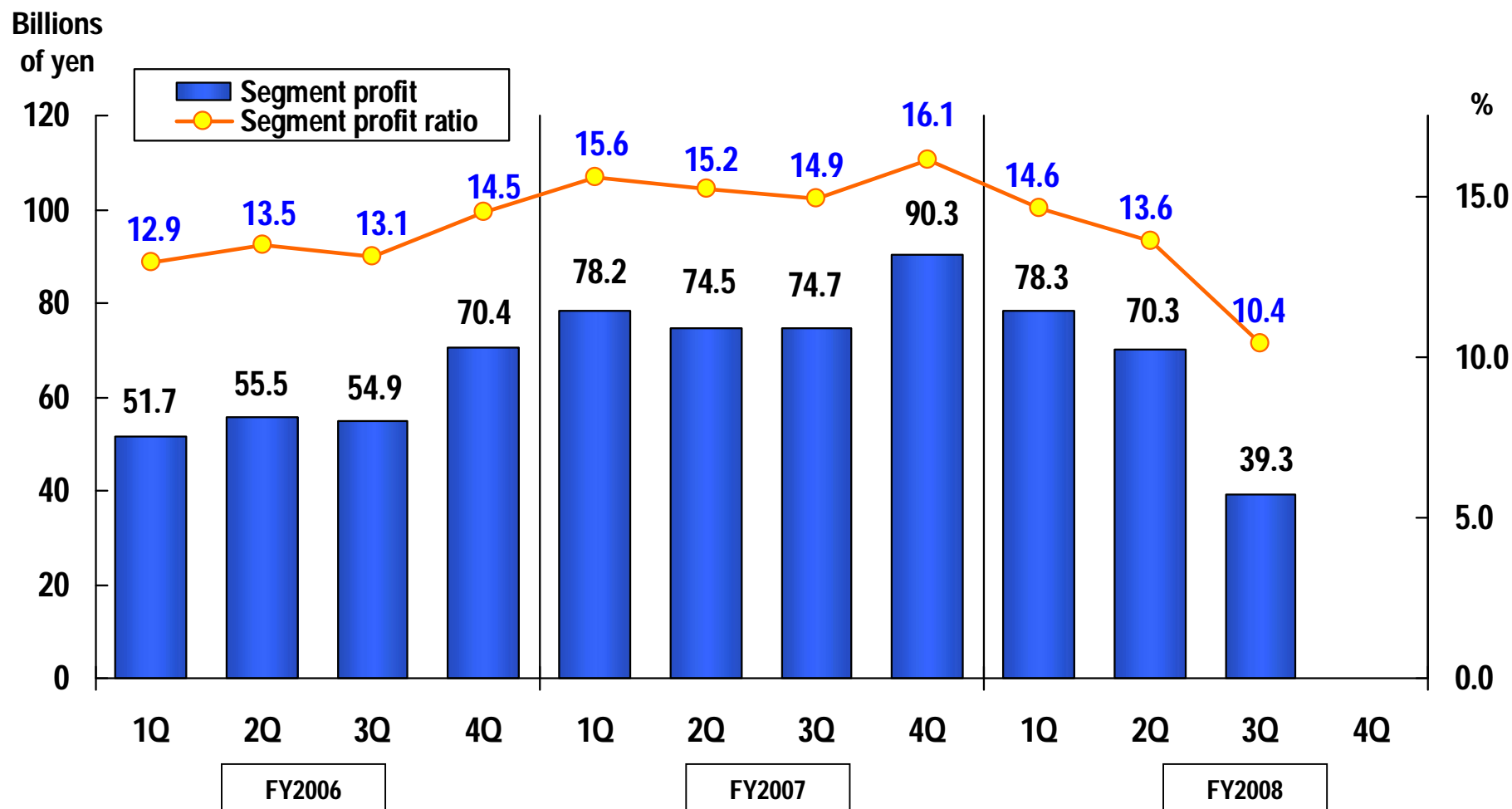
Construction, Mining & Utility Equipment : Sales and Segment Profit by Region (Geographic Origin)

< Three months from October through December, 2008 >

Billions of yen

	Three months ended December 31, 2007		Three months ended December 31, 2008		Increase (decrease)	
	Net sales	Segment profit	Net sales	Segment profit	Net sales	Segment profit
Japan	286.8	38.1	236.3	(0.9)	(50.5)	(39.0)
The Americas	122.8	10.3	107.3	11.9	(15.5)	1.5
Europe & CIS	108.3	12.3	52.4	3.6	(55.9)	(8.6)
Others	129.8	15.6	88.0	9.2	(41.8)	(6.4)
Total	647.9	76.4	484.1	23.8	(163.8)	(52.6)
Elimination	(146.2)	(1.7)	(104.8)	15.4	41.4	17.2
Consolidated	501.7	74.7	379.3	39.3	(122.3)	(35.4)

Construction, Mining & Utility Equipment : Quarterly Segment Profit



Exchange rates

1USD	114yen	117yen	118yen	119yen
1EUR	145yen	149yen	153yen	157yen

122yen	117yen	113yen	104yen
164yen	162yen	165yen	158yen

105yen	107yen	95yen	-
165yen	159yen	126yen	-

*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2006 and FY2007 are reclassified accordingly.

2. Results for Nine Months ended December 31, 2008

Highlights of Nine Months ended December 31, 2008

1. Sales & Profits :

Net sales	1,642.6 bil yen, up 0.8%
Operating income	200.1 bil yen, down 17.1%
Operating income ratio	12.2%, down 2.6 points
Net income	113.3 bil yen, down 25.2%

2. Performance by business segment :

- Construction, Mining & Utility Equipment

Nine-month sales and segment profit declined by 4.1% and 17.3%, respectively, from the previous period a year ago. Demand in Japan, North America and Europe continued to drop. Demand began falling rapidly in emerging economies in the second half of the current fiscal year, where it had been thriving through the first half period until their economies were adversely affected by the financial crisis.

- Industrial Machinery & Others

Nine-month sales and segment profit improved by 51.4% and 7.3%, respectively. While sales of small and medium-sized presses and machine tools declined since the second half of the current fiscal year, sales of large presses remained stable. Addition of Komatsu NTC as a consolidated subsidiary was also a positive factor.

Sales and Profits for Nine Months ended December 31, 2008

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

	Apr.-Dec., 2007 1USD=117yen 1EUR=164yen		Apr.-Dec., 2008 1USD=102yen 1EUR=150yen		Increase (decrease)	
Net Sales	1,629.0		1,642.6		13.6	0.8%
Construction, Mining & Utility Equipment	[1,489.9]	1,494.1	[1,428.6]	1,432.3	[(61.3)]	(61.8)
Industrial Machinery & Others	[139.0]	153.8	[214.0]	232.9	[74.9]	79.0
Elimination	(19.0)		(22.5)		(3.5)	-
Segment profit	14.8%	240.4	12.2%	200.9	(39.5)	(16.4%)
Construction, Mining & Utility Equipment	15.2%	227.5	13.1%	188.0	(39.4)	(17.3%)
Industrial Machinery & Others	9.9%	15.1	7.0%	16.2	1.1	7.3%
Corporate & elimination	(2.2)		(3.4)		(1.1)	-
Other operating income (expenses)	0.9		(0.7)		(1.7)	-
Operating income	14.8%	241.4	12.2%	200.1	(41.2)	(17.1%)
Other income (expenses)	(6.6)		(22.0)		(15.3)	-
Income from continuing operations before income taxes	234.7		178.1		(56.6)	(24.1%)
Income from continuing operations	146.5		113.3		(33.2)	(22.7%)
Income from discontinued operations	4.9		-		(4.9)	-
Net income	151.5		113.3		(38.2)	(25.2%)

*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2007 are reclassified accordingly.

Construction, Mining & Utility Equipment : Sales (To Outside Customers) by Region

< Nine months from April through December, 2008 >

Billions of yen

	Nine months ended December 31, 2007		Nine months ended December 31, 2008		Increase (decrease)	
		%		%		%
Japan	273.5	18.4%	245.7	17.2%	(27.7)	(10.1%)
North America	242.5	16.3%	197.7	13.8%	(44.8)	(18.5%)
Latin America	133.5	8.9%	175.3	12.3%	41.7	31.3%
Europe	253.9	17.1%	160.2	11.2%	(93.7)	(36.9%)
CIS	63.1	4.2%	79.6	5.6%	16.5	26.2%
China	118.9	8.0%	125.5	8.8%	6.6	5.6%
Asia & Oceania	244.5	16.4%	259.5	18.2%	14.9	6.1%
Middle East & Africa	159.6	10.7%	184.7	12.9%	25.0	15.7%
Total	1,489.9	100%	1,428.6	100%	(61.3)	(4.1%)

Construction, Mining & Utility Equipment : Sales and Segment Profit by Region (Geographic Origin)

< Nine months from April through December, 2008 >

Billions of yen

	Nine months ended December 31, 2007		Nine months ended December 31, 2008		Increase (decrease)	
	Net sales	Segment profit	Net sales	Segment profit	Net sales	Segment profit
Japan	806.3	110.1	811.2	54.8	4.8	(55.3)
The Americas	401.6	42.0	400.9	49.4	(0.6)	7.4
Europe & CIS	335.6	37.8	251.9	22.9	(83.6)	(14.8)
Others	371.1	48.1	368.1	50.9	(2.9)	2.8
Total	1,914.8	238.0	1,832.3	178.1	(82.4)	(59.9)
Elimination	(420.6)	(10.5)	(400.0)	9.9	20.5	20.4
Consolidated	1,494.1	227.5	1,432.3	188.0	(61.8)	(39.4)

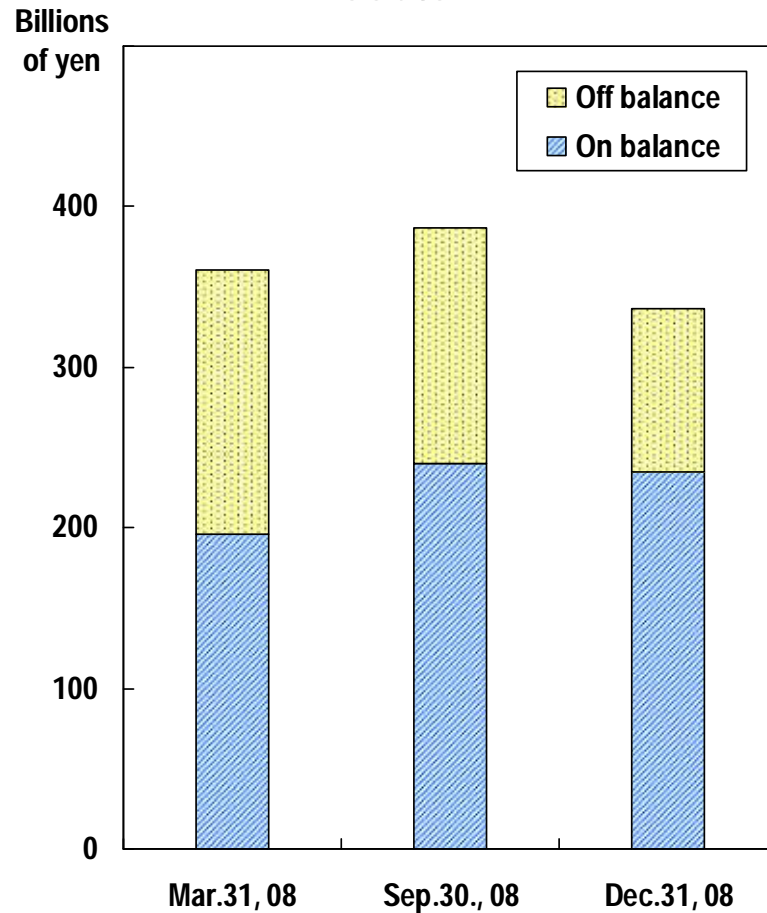
Consolidated Balance Sheets

	○ : Net D/E ratio		Billions of yen
	March 31, 2008 1USD=100yen 1EUR=158yen	December 31, 2008 1USD=91yen 1EUR=128yen	Increase (decrease)
Cash & deposits [a]	102.1	98.6	(3.4)
Accounts receivable (incl. long-term trade receivable)	613.3	510.8	(102.4)
Inventories	518.4	540.5	22.0
Tangible fixed assets	491.1	523.8	32.7
Other assets	380.1	379.6	(0.4)
Total assets	2,105.1	2,053.6	(51.5)
Accounts payable	387.1	319.4	(67.6)
Interest-bearing debt [b]	452.0	601.5	149.4
Other liabilities	348.5	266.5	(82.0)
Total liabilities	1,187.7	1,187.5	(0.2)
Minority interests	30.2	30.3	0.1
[% of total assets]	[42.1%]	[40.7%]	[(1.4 points)]
Shareholders' equity	887.1	835.7	(51.4)
Liabilities & shareholders' equity	2,105.1	2,053.6	(51.5)
Interest-bearing debt, net [b-a]	○ 0.39	○ 0.60	152.8

Retail Finance Business

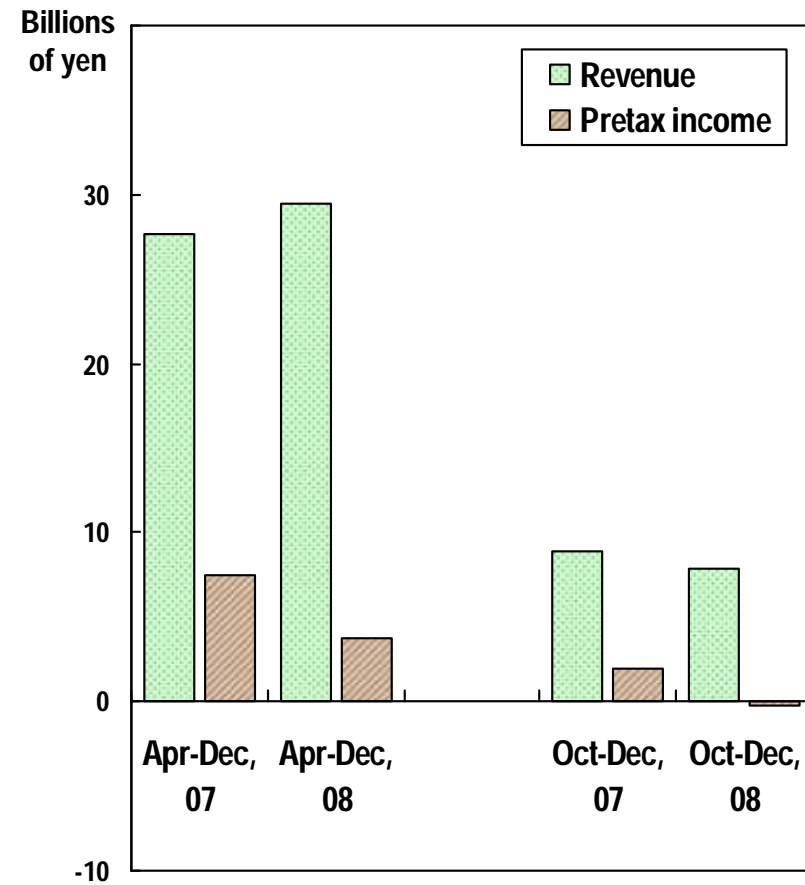
Consolidated finance companies (Internal-use data)

1. Assets



(USD)	100yen	104yen	91yen
(EUR)	158yen	149yen	128yen

2. Revenues



(USD)	117yen	102yen	113yen	95yen
(EUR)	164yen	150yen	165yen	126yen

3. Projections for the Fiscal Year ending March 31, 2009

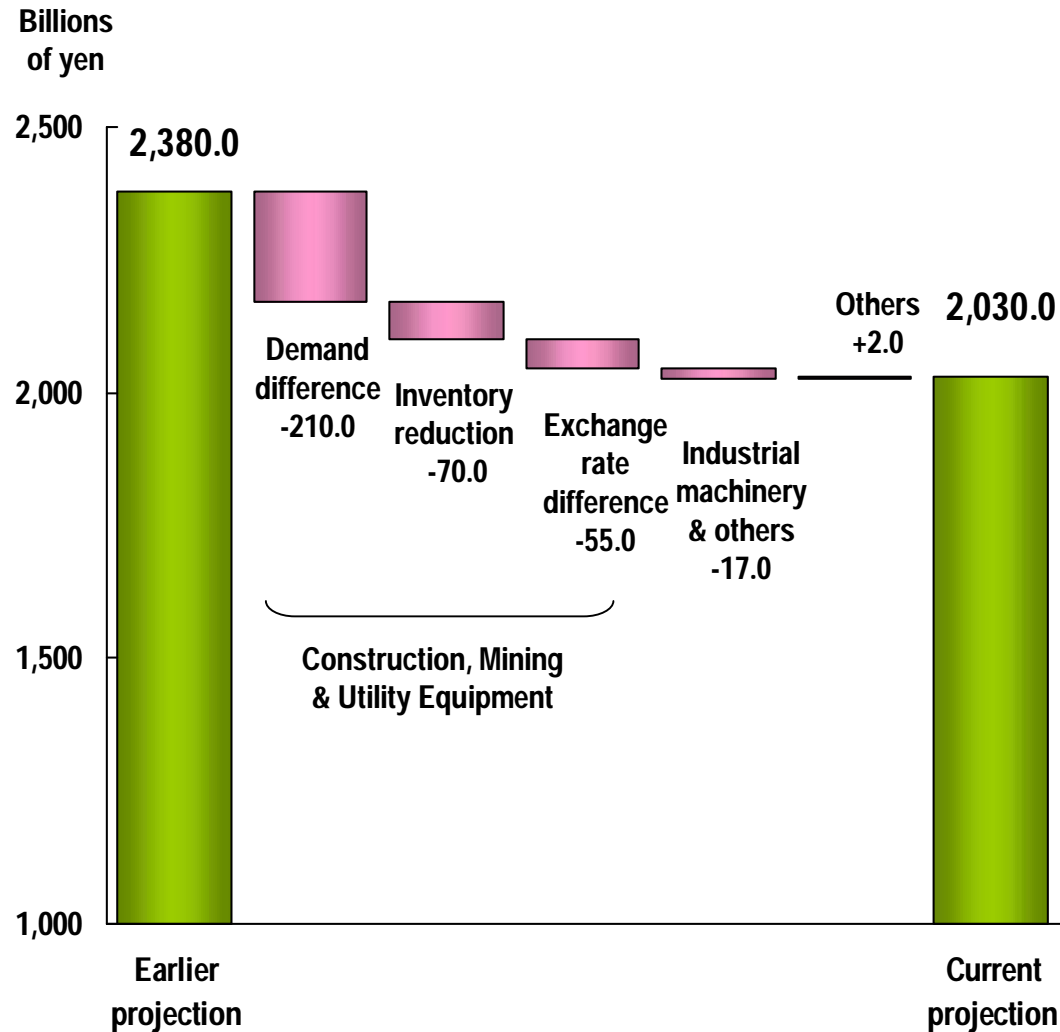
Revision of Projections for the Fiscal Year ending March 31, 2009

Billions of yen

	FY2007 Results*:a		FY2008 Earlier Projections :b		FY2008 Current Projections :c		Changes Increase (decrease) c - b		Increase (decrease) from FY2007 Results c - a	
	1USD=114yen 1EUR=162yen		1USD=101yen 1EUR=141yen		1USD=99yen 1EUR=143yen					
Net sales		2,243.0		2,380.0		2,030.0	(350.0)	(14.7%)	(213.0)	(9.5%)
Construction, Mining & Utility Equipment		2,054.8		2,080.0		1,745.0	(335.0)	(16.1%)	(309.8)	(15.1%)
Industrial Machinery & Others		217.6		330.0		313.0	(17.0)	(5.2%)	95.3	43.8%
Elimination		(29.5)		(30.0)		(28.0)	2.0	-	1.5	-
Segment profit	14.9%	334.5	12.7%	303.0	10.4%	212.0	(91.0)	(30.0%)	(122.5)	(36.6%)
Construction, Mining & Utility Equipment	15.5%	317.8	13.7%	285.0	11.3%	197.0	(88.0)	(30.9%)	(120.8)	(38.0%)
Industrial Machinery & Others	9.2%	19.9	7.3%	24.0	6.1%	19.0	(5.0)	(20.8%)	(0.9)	(4.7%)
Corporate & Elimination		(3.2)		(6.0)		(4.0)	2.0	-	(0.7)	-
Other operating income (expenses)		(1.7)		(3.0)		(12.0)	(9.0)	-	(10.2)	-
Operating income	14.8%	332.8	12.6%	300.0	9.9%	200.0	(100.0)	(33.3%)	(132.8)	(39.9%)
Other income (expenses)		(10.6)		(10.0)		(25.0)	(15.0)	-	(14.3)	-
Income from continuing operations before tax		322.2		290.0		175.0	(115.0)	(39.7%)	(147.2)	(45.7%)
Income from continuing operations		203.8		190.0		110.0	(80.0)	(42.1%)	(93.8)	(46.0%)
Income from discontinued operations		4.9		-		-	-	-	(4.9)	-
Net income		208.7		190.0		110.0	(80.0)	(42.1%)	(98.7)	(47.3%)

*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2007 are reclassified accordingly.

Causes for Change from Earlier Projections (Sales)



Construction, Mining & Utility Equipment Business

1. Demand difference:

Declined sales volume due to a drastic fall of demand in Japan, Europe and some emerging economies: - 210.0 billion yen

2. Inventory reduction:

Production slow-down to reduce distributors' inventories in response to a drastic drop in demand: - 70.0 billion yen

3. Exchange rate difference:

Japanese yen's appreciation against the US dollar and currencies of resource-rich countries: - 55.0 billion yen

Industrial Machinery and Others

Declined sales and foreign exchange rate difference, etc.: - 17.0 billion yen

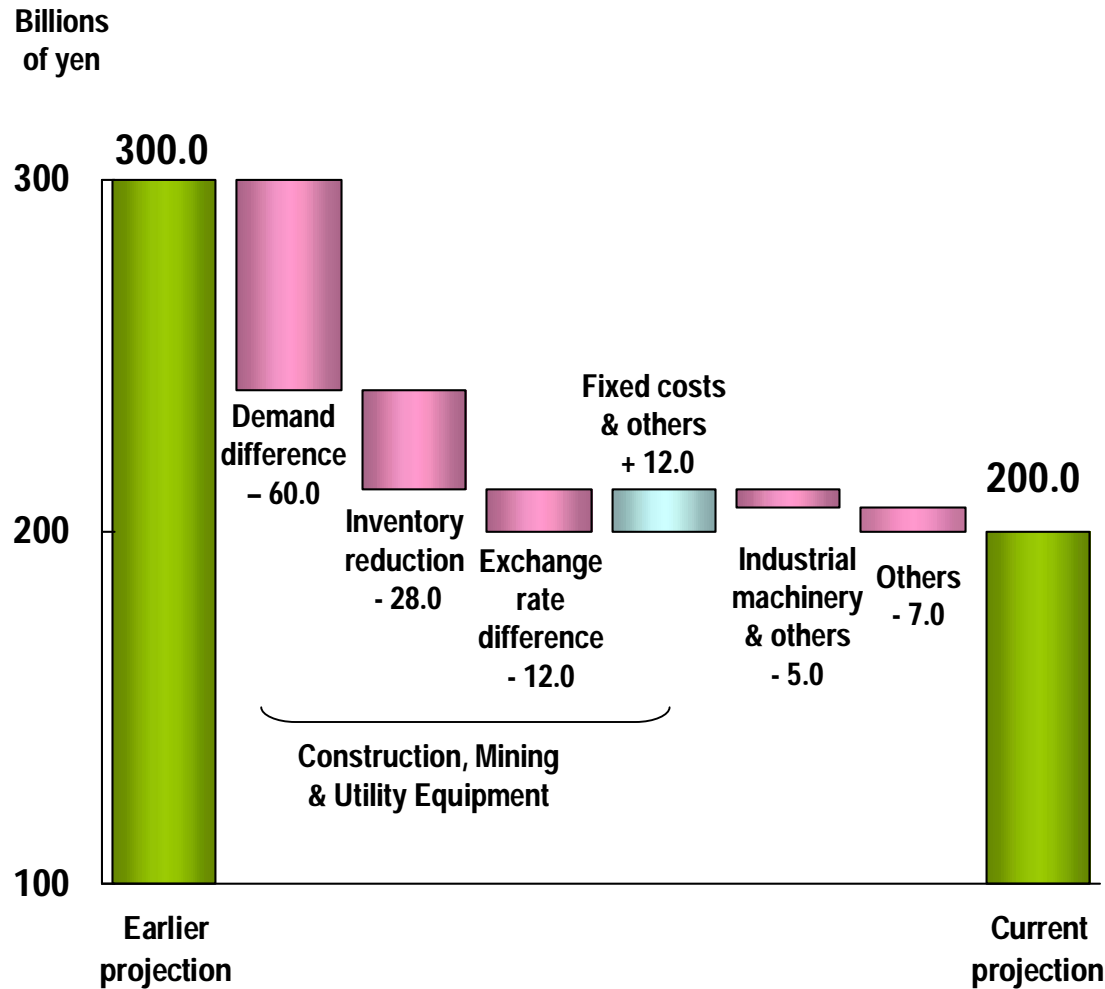
Other

Less elimination, etc.: + 2.0 billion yen



Total : - 350.0 billion yen in sales

Causes for Change from Earlier Projections (Operating Income)



Construction, Mining and Utility Equipment

1. Demand difference:

Declined sales volume due to a drastic fall of demand in Japan, Europe and some emerging economies: - 60.0 billion yen

2. Inventory adjustment:

Production slow-down to reduce distributors' inventories in response to a drastic drop in demand: - 28.0 billion yen

3. Exchange rate difference:

Japanese yen's appreciation against the US dollar and currencies of resource-rich countries: - 12.0 billion yen

4. Fixed costs & others:

Reduced fixed and production costs, etc.: + 12.0 billion yen

Industrial Machinery and Others

Declined sales and foreign exchange rate difference, etc.: - 5.0 billion yen

Others

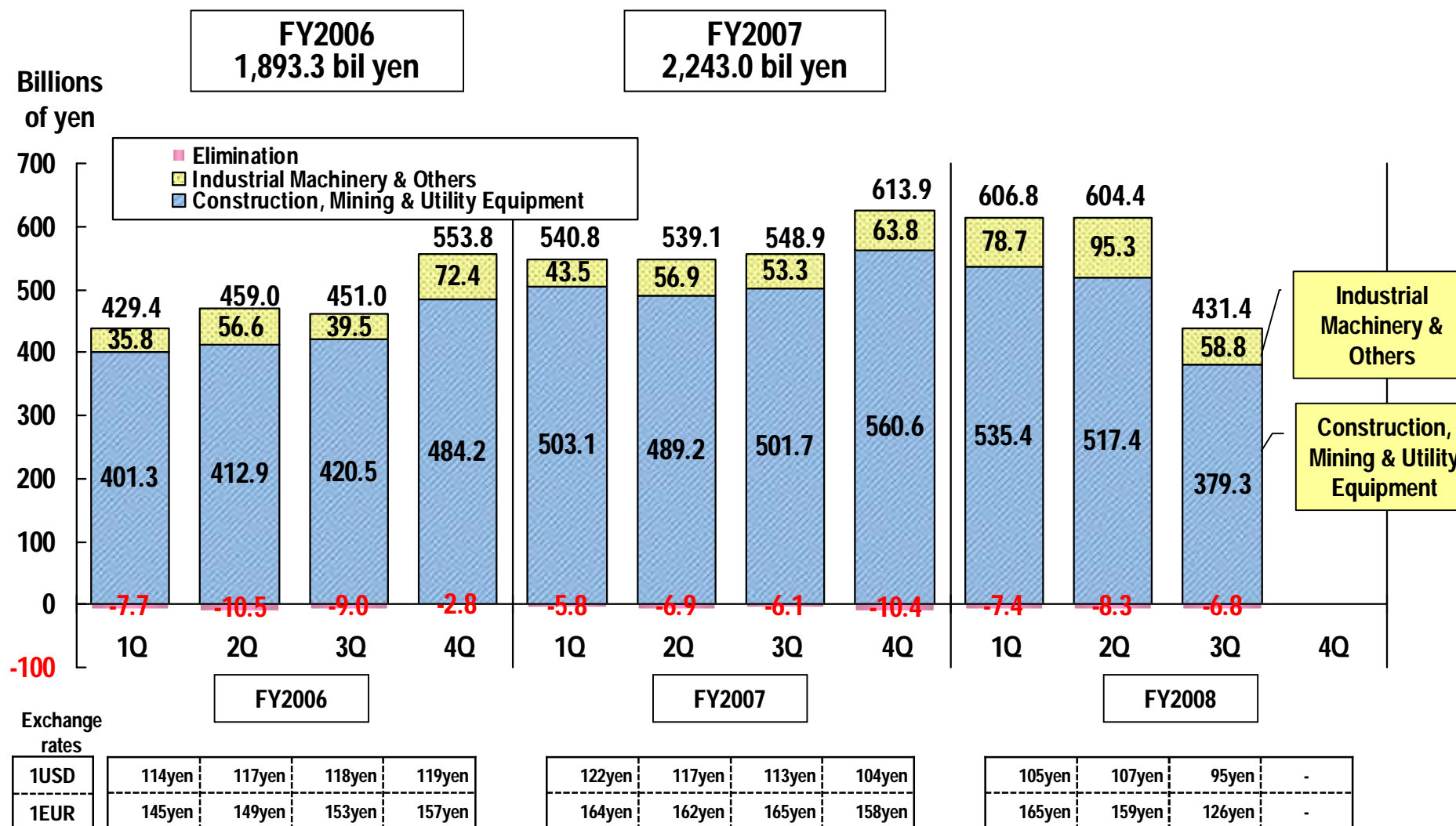
Elimination and business structure reform expenses: - 7.0 billion yen

**Total : - 100.0 billion yen
in operating income**

< Appendix >

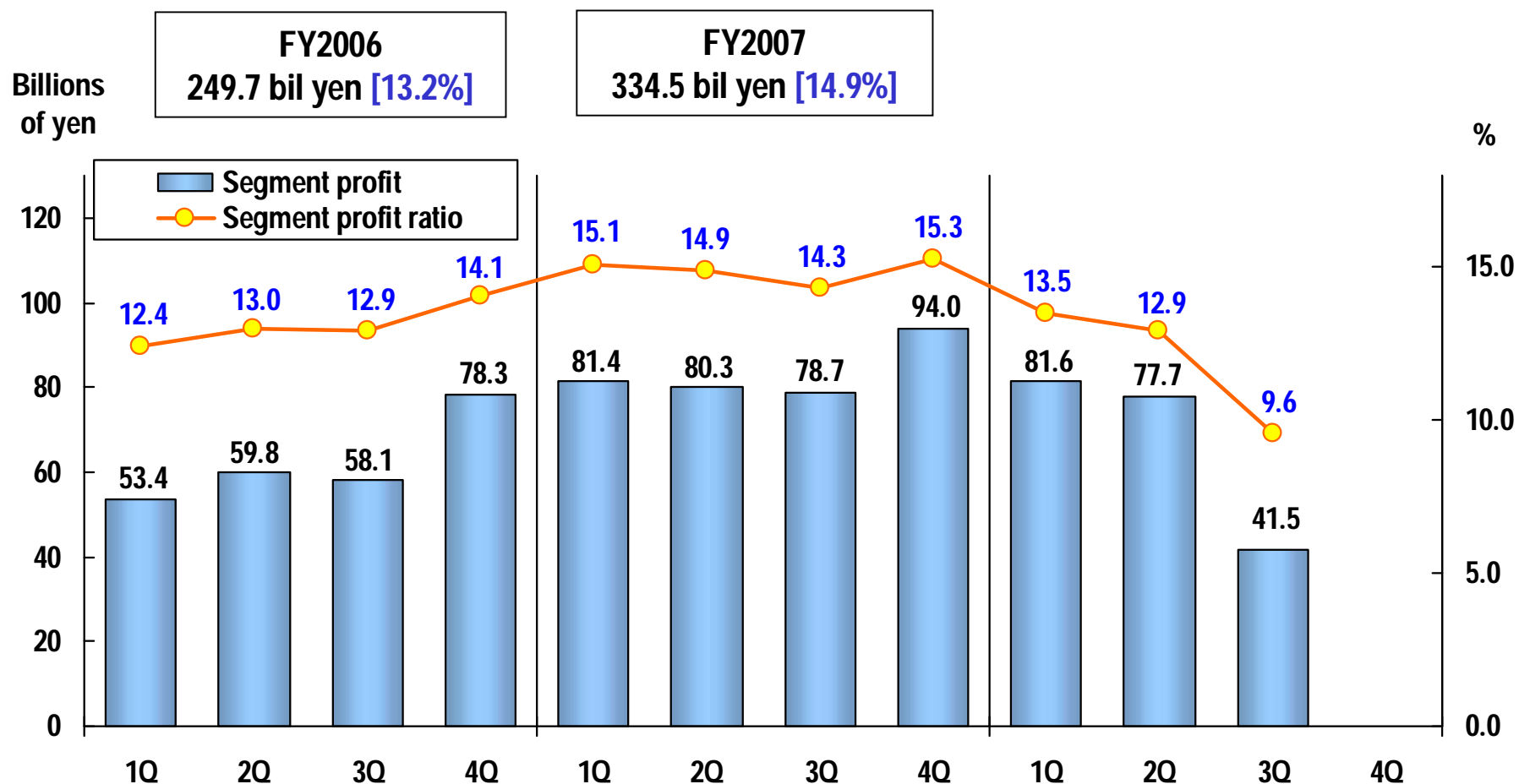
Quarterly Sales and Segment Profit, etc.

Quarterly Sales by Business Segment



*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2006 and FY2007 are reclassified accordingly.

Quarterly Segment Profit: Total



Exchange rates

FY2006

1USD	114yen	117yen	118yen	119yen
1EUR	145yen	149yen	153yen	157yen

FY2007

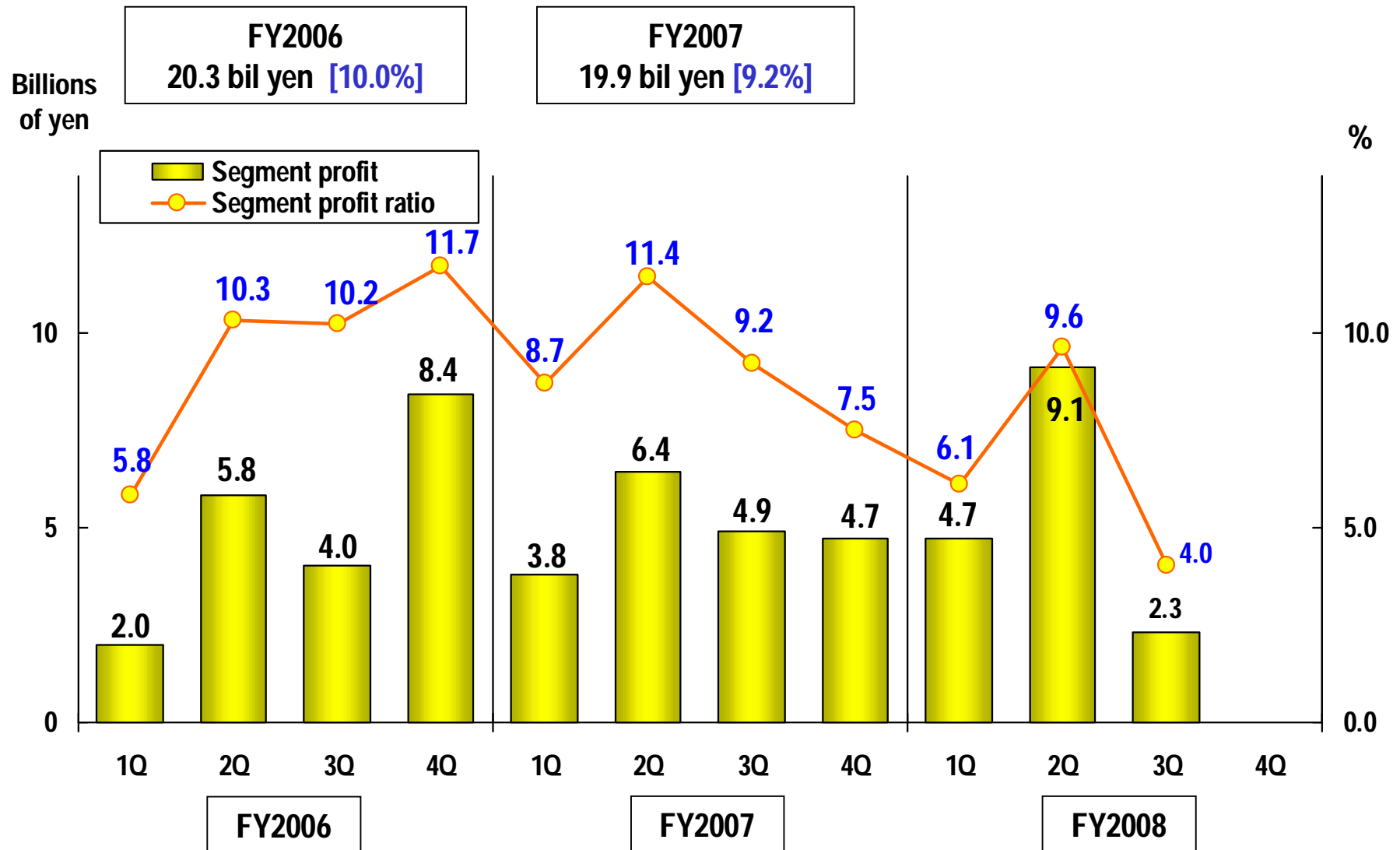
	122yen	117yen	113yen	104yen
	164yen	162yen	165yen	158yen

FY2008

	105yen	107yen	95yen	-
	165yen	159yen	126yen	-

*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2006 and FY2007 are reclassified accordingly.

Quarterly Segment Profit: Industrial Machinery & Others



*As the Construction, Mining & Utility Equipment segment includes the forklift truck business of Komatsu Utility Co., Ltd. as well as Komatsu Logistics Corp. starting in FY2008, the figures for FY2006 and FY2007 are reclassified accordingly.

Cautionary Statement

This presentation sheets contain forward-looking statements that reflect management's views and assumptions in the light of information currently available 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," "plans," "expects," 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. Any forward-looking statements speak only as of the date of this presentation sheets, and Komatsu assumes no duty to update such statements.

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 costs 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; the impact of regulatory changes and accounting principles and practices; and the introduction, success and timing of business initiatives and strategies.



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