



**Komatsu Ltd.**

Sustainability Promotion Division  
Corporate Communications Dept.

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

Date: July 28, 2023

URL: <https://www.komatsu.jp/en>

**Consolidated Business Results for Three Months of the Fiscal Year Ending  
March 31, 2024 (U.S. GAAP)**

**1. Results for Three Months Ended June 30, 2023**

(Amounts are rounded to the nearest million yen)

(1) Consolidated Financial Highlights

Millions of yen except per share amounts

	<b>Three Months ended June 30, 2023</b>	Three Months ended June 30, 2022	Changes Increase (Decrease)	
	[A]	[B]	[A-B]	[(A-B)/B]
Net sales	899,551	763,808	135,743	17.8%
Operating income	147,021	93,562	53,459	57.1%
Income before income taxes and equity in earnings of affiliated companies	148,168	112,475	35,693	31.7%
Net income attributable to Komatsu Ltd.	105,427	80,454	24,973	31.0%
Net income attributable to Komatsu Ltd. per share (Yen)				
Basic	<b>¥111.49</b>	¥85.11	¥26.38	
Diluted	<b>¥111.48</b>	¥85.10	¥26.38	

Note: Comprehensive income for three months ended June 30, 2023 and 2022

2023: 267,383 millions of yen, down 4.7% from 2022

2022: 280,566 millions of yen, up 378.3% from 2021

(2) Consolidated Financial Position

Millions of yen except per share amounts

	<b>As of June 30, 2023</b>	As of March 31, 2023
Total assets	<b>5,298,081</b>	4,875,847
Total equity	<b>2,866,828</b>	2,677,955
Komatsu Ltd. shareholders' equity	<b>2,718,898</b>	2,539,641
Komatsu Ltd. shareholders' equity ratio	<b>51.3%</b>	52.1%
Komatsu Ltd. shareholders' equity per share (Yen)	<b>¥2,875.30</b>	¥2,685.76

## 2. Dividends

(For the fiscal years ended March 31, 2023 and ending March 31, 2024)

Yen

	2023	2024 Projections
First quarter period		
Second quarter period	64.00	69.00
Third quarter period		
Year-end	75.00	70.00
Total	139.00	139.00

Note: Changes in the latest projected cash dividend as of July 28, 2023: None

## 3. Projections for the Fiscal Year Ending March 31, 2024

(From April 1, 2023 to March 31, 2024)

Millions of yen except per share amounts

	2024	
		Changes Increase (Decrease)
Net sales	3,382,000	(4.6%)
Operating income	491,000	0.1%
Income before income taxes and equity in earnings of affiliated companies	442,000	(7.2%)
Net income attributable to Komatsu Ltd.	299,000	(8.4%)
Net income attributable to Komatsu Ltd. per share - Basic (Yen)	¥316.20	

Notes: 1) Changes in the latest projected consolidated business results as of July 28, 2023: None

2) Percentages shown above represent the rates of change compared with the corresponding period a year ago.

#### 4. Others

(1) Changes in important subsidiaries during the three-month period under review: Applicable

Addition: None

Exclusion: 1 company

Komatsu (Shandong) Construction Machinery Corp.

Note: See (4) Others on page 11 for more details.

(2) Use of simplified accounting procedures and adoption of specific accounting procedures for the preparation of consolidated quarterly financial statements: None

(3) Changes in significant accounting rules, procedures and presentation and changes in significant accounting policies and estimates

1) Changes resulting from revisions in accounting standards, etc.: Applicable

2) Changes in other matters except for 1) above: None

Note: See (4) Others on page 11 for more details.

(4) Number of common shares outstanding

1) The numbers of common shares issued (including treasury stock) were as follows:

As of June 30, 2023: 973,450,930 shares

As of March 31, 2023: 973,450,930 shares

2) The numbers of treasury stock were as follows:

As of June 30, 2023: 27,845,941 shares

As of March 31, 2023: 27,856,631 shares

3) The weighted average numbers of common shares outstanding were as follows:

Three months ended June 30, 2023: 944,812,310 shares

Three months ended June 30, 2022: 944,422,704 shares

Notes:

- This report is not subject to quarterly review by CPA or audit firm.

- Explanations concerning the appropriate use of the forecasts for results of operations and other special matters. The aforementioned forecasts, plans and projections for results of operations in this report are determined by top management of the Company to be reasonable, based on the currently available information. Please be advised that actual results may differ significantly from the forecasts, plans or projections in this report, due to a variety of changing factors. Such factors may include economic conditions and changes in demand for products in major markets, fluctuations on the foreign exchange market, and changes in regulations, accounting standards and practices in Japan and abroad.

## **Appendix**

### **Management Performance and Financial Conditions**

(1) Outline of Operations and Business Results .....	P.5
(2) Financial Conditions .....	P.10
(3) Projection for the Fiscal Year Ending March 31, 2024.....	P.10
(4) Others .....	P.11

### **Consolidated Financial Statements**

(1) Consolidated Balance Sheets .....	P.12
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income .....	P.14
(3) Consolidated Statements of Cash Flows .....	P.16
(4) Note to the Going Concern Assumption .....	P.17
(5) Business Segment Information .....	P.17
(6) Note in Case of Notable Changes in the Amount of Shareholders' Equity .....	P.18

# Management Performance and Financial Conditions

## (1) Outline of Operations and Business Results

Komatsu Ltd. (“Company”) and its consolidated subsidiaries (together “Komatsu”) embarked on the three-year, mid-term management plan, “DANTOTSU Value – *Together, to ‘The Next’ for sustainable growth*”. Under this management plan for the target fiscal year ending March 31, 2025, Komatsu upholds three pillars of growth strategies: 1) Accelerate growth by means of innovation; 2) Maximize earnings power; and 3) Enhance corporate resilience. Komatsu will continue to emphasize the previous plan’s sustainability management. In that plan, we work for sustainable growth through a positive cycle for improvement of earnings and ESG resolutions, thereby working to build an operational structure that is resilient to changes in demand.

For the first three-month period (April 1- June 30, 2023) of the fiscal year ending March 31, 2024, the second year of the mid-term management plan, consolidated net sales totaled JPY 899.6 billion, an increase of 17.8% from the corresponding period a year ago. In the construction, mining and utility equipment business, while demand for construction equipment decreased, mainly in Latin America and Europe, it remained firm in North America. Demand for mining equipment was steady. Komatsu worked to make its supply chain highly resilient to changes in the external environment, especially by capitalizing on cross-sourcing and strengthening multi-sourcing, and steadily captured demand for new equipment. As a result, sales increased from the corresponding period a year ago, partly supported by expanded parts sales and service revenues which reflect high machine utilization, centering on mining equipment, improved selling prices in most regions of the world, and the Japanese yen’s depreciation. In the industrial machinery and others business, sales of presses, sheet-metal machines, and machine tools for the automobile manufacturing industry increased. As a result, sales increased from the corresponding period a year ago.

With respect to profits for the first three-month period under review, operating income increased by 57.1% from the corresponding period a year ago, to JPY 147.0 billion. This was supported by improved selling prices in most regions of the world and the Japanese yen’s depreciation, which more than offset the adverse effects of increased material prices and fixed costs. The operating income ratio increased by 4.1 percentage points to 16.3%. Income before income taxes and equity in earnings of affiliated companies increased by 31.7% to JPY 148.2 billion. Net income attributable to Komatsu Ltd. increased by 31.0% to JPY 105.4 billion.

[Consolidated Financial Highlights]

Millions of yen

	<b>Three Months ended June 30, 2023</b> 1USD=JPY136.4 1EUR=JPY147.7 1AUD=JPY89.9	Three Months ended June 30, 2022 1USD=JPY127.1 1EUR=JPY136.9 1AUD=JPY92.0	Changes Increase (Decrease)
	[A]	[B]	[(A-B)/B]
Net sales	<b>899,551</b>	763,808	17.8%
Construction, Mining and Utility Equipment	<b>846,861</b>	715,324	18.4%
Retail Finance	<b>22,893</b>	19,939	14.8%
Industrial Machinery and Others	<b>40,452</b>	34,540	17.1%
Elimination	<b>(10,655)</b>	(5,995)	-
Segment profit	<b>146,808</b>	94,368	55.6%
Construction, Mining and Utility Equipment	<b>138,430</b>	83,326	66.1%
Retail Finance	<b>6,348</b>	7,713	(17.7%)
Industrial Machinery and Others	<b>1,924</b>	3,527	(45.4%)
Corporate & elimination	<b>106</b>	(198)	-
Operating income	<b>147,021</b>	93,562	57.1%
Income before income taxes and equity in earnings of affiliated companies	<b>148,168</b>	112,475	31.7%
Net income attributable to Komatsu Ltd.	<b>105,427</b>	80,454	31.0%

Note: Unless otherwise noted, all sales by segment in this report indicate the amounts before elimination of intersegment transactions.

Business results by operation are described below.

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

For the first three-month period under review, sales of the construction, mining and utility equipment business increased by 18.4% from the corresponding period a year ago, to JPY 846.9 billion. Segment profit increased by 66.1% to JPY 138.4 billion.

Concerning the “Accelerate growth by means of innovation” strategy, one of the growth strategies in the mid-term management plan, Komatsu has started to introduce its open technology platform, a solution to optimize the entire mining operation, to customers. In May this year, Komatsu also embarked on commercial operations of large-scale ICT dozers with teleoperation specs at an iron mine in Brazil, thereby accelerating the pace of achieving automation and autonomy of machines. Concerning its Autonomous Haulage System (AHS), Komatsu increased the total number of AHS mining trucks in operation to 661 units as of June 30, 2023. It also advanced field tests of a concept autonomous light vehicle capable of running in collaboration with unmanned haul trucks operating under Komatsu’s AHS. In an effort to make construction and mining equipment carbon neutral, Komatsu successfully demonstrated, in May, the dynamic charging of a battery-powered haul truck running uphill from a trolley system at its proving grounds in North America. Komatsu has also developed a concept machine for a medium-sized hydraulic excavator equipped with a hydrogen fuel cell and advanced PoC (Proof of Concept) tests of the concept machine.

For the “Maximize earnings power” strategy, Komatsu established Komatsu Central Asia LLP, a wholly owned subsidiary in the Republic of Kazakhstan, in April this year. Its main purpose is to establish a new operational structure to oversee distributors in the surrounding areas with the aim of strengthening sales and service operations of construction and mining equipment in the Central Asian region.

Under the “Enhance corporate resilience” strategy, Komatsu has constructed a new factory on a new site adjacent to the Ibaraki Plant to meet growing demand for haul trucks and other products for overseas markets. The new factory performs pre-shipment maintenance of haul trucks and other self-propelled vehicles and packaging of shipment parts by taking advantage of this new site on the shipping flow line from the assembly plant to Hitachinaka Port, Komatsu will substantially reduce lead-time from the assembly line-off to shipping.

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

Millions of yen

	Three Months ended June 30, 2023	Three Months ended June 30, 2022	Changes Increase (Decrease)	
	[A]	[B]	[A-B]	[(A-B)/B]
Japan	73,036	66,675	6,361	9.5%
Americas	North America	184,100	48,419	26.3%
	Latin America	120,007	26,842	22.4%
Americas	379,368	304,107	75,261	24.7%
Europe & CIS	Europe	66,146	14,312	21.6%
	CIS	25,663	38,084	(12,421)
Europe & CIS	106,121	104,230	1,891	1.8%
China	15,411	19,185	(3,774)	(19.7%)
Asia* & Oceania	Asia*	91,365	18,519	20.3%
	Oceania	69,022	22,715	32.9%
Asia* & Oceania	201,621	160,387	41,234	25.7%
Middle East & Africa	Middle East	20,078	817	4.1%
	Africa	38,966	6,821	17.5%
Middle East & Africa	66,682	59,044	7,638	12.9%
Total	842,239	713,628	128,611	18.0%

Note: \*Excluding Japan and China

Komatsu's operations by region are described below.

### Japan

For the first three-month period under review, demand for new equipment remained flat from the corresponding period a year ago. Sales increased from the corresponding period a year ago, mainly supported by improved selling prices.

### Americas

In North America, while demand for construction equipment showed signs of decrease in the housing sector as affected by increasing interest rates, it remained strong in the rental industry, infrastructure development and the energy-related sector. Supported also by steady demand for mining equipment and improved selling prices, sales increased from the corresponding period a year ago. In Latin America, while demand for construction equipment slowed down due to economic uncertainty and import restrictions, that for mining equipment remained steady. Reflecting increased parts sales and service revenues of mining equipment, as well as improved selling prices, sales increased from the corresponding period a year ago.

### Europe and CIS

In Europe, demand for construction equipment decreased in the major markets of Germany, the United Kingdom, and France, as affected by increasing interest rates. Nevertheless, sales increased from the corresponding period a year ago, reflecting the Japanese yen's depreciation and improved selling prices. In CIS, sales decreased sharply from the corresponding period a year ago, as affected by the restrictions in the supply chain, as well as the financial and economic conditions resulting from the situation in Ukraine.



## **China**

Demand remained slack, as affected by stagnant economic activities resulting especially from sluggish real estate market conditions. Sales decreased from the corresponding period a year ago.

## **Asia and Oceania**

In Asia, demand for construction equipment decreased mainly in Indonesia, Thailand and Vietnam, as affected by delays in public works budget execution and infrastructure projects, as well as economic uncertainty. Meanwhile, demand for equipment for use in coal and nickel mines in Indonesia was strong. As a result, sales increased from the corresponding period a year ago. In Oceania, demand for mining and construction equipment remained strong. Supported also by increased parts sales and service revenues, sales increased sharply from the corresponding period a year ago.

## **Middle East and Africa**

In the Middle East, demand for construction equipment remained steady, mainly supported by projects in Saudi Arabia, the United Arab Emirates, and other oil-producing countries, as well as post-earthquake reconstruction needs in Turkey. As a result, sales increased from the corresponding period a year ago, reflecting steady demand for construction equipment and the Japanese yen's depreciation. In Africa, sales increased from the corresponding period a year ago, supported by not only steady demand for mining equipment, but also increased parts sales and service revenues.

## **Retail Finance**

For the first three-month period under review, revenues increased by 14.8% from the corresponding period a year ago, to JPY 22.9 billion, reflecting the Japanese yen's depreciation and increased interest rates. Segment profit decreased by 17.7% to JPY 6.3 billion, mainly affected by the absence of a gain on reversal of allowance for doubtful accounts which was recorded in North America for the corresponding period a year ago.

## **Industrial Machinery and Others**

For the first three-month period under review, sales of presses, sheet-metal machines, and machine tools for the automobile manufacturing industry increased. As a result, sales increased by 17.1% from the corresponding period a year ago, to JPY 40.5 billion. Segment profit amounted to JPY 1.9 billion, a decrease of 45.4%, as affected by decreased demand of semiconductors worldwide in the excimer laser-related business.

Komatsu Industries Ltd. expanded a model line-up of its underwater fiber laser cutting machine and prepared to exhibit them at "MF-TOKYO 2023" (The 7th METAL FORMING FAIR TOKYO) held in July this year.

## **(2) Financial Conditions**

As of June 30, 2023, total assets increased by JPY 422.2 billion from the previous fiscal year-end, to JPY 5,298.1 billion, as mainly affected by the Japanese yen's depreciation against the U.S. dollar from the previous fiscal year-end and an increase in inventories. Interest-bearing debt increased by JPY 152.4 billion from the previous fiscal year-end, to JPY 1,206.1 billion. Komatsu Ltd. shareholders' equity increased by JPY 179.3 billion from the previous fiscal year-end, to JPY 2,718.9 billion. As a result, Komatsu Ltd. shareholders' equity ratio decreased by 0.8 percentage points from the previous fiscal year-end, to 51.3%.

For the first three-month period under review, although inventories increased, net cash provided in operating activities totaled JPY 85.4 billion, an increase of JPY 87.8 billion from the corresponding period a year ago, mainly due to net income for the period. Net cash used in investing activities amounted to JPY 39.4 billion, an increase of JPY 5.9 billion, mainly due to the purchase of fixed assets. Net cash provided by financing activities amounted to JPY 6.2 billion (as compared to JPY 73.1 billion provided for the corresponding period a year ago), mainly due to the issuance of commercial papers. After adding the effects of foreign exchange fluctuations to the total amount of each cash flow, as of June 30, 2023, cash and cash equivalents totaled JPY 343.5 billion, an increase of JPY 53.5 billion from the previous fiscal year-end.

## **(3) Projection for the Fiscal Year Ending March 31, 2024**

(From April 1, 2023 to March 31, 2024)

Komatsu makes no change in the projection of April 28, 2023, concerning consolidated business results for the fiscal year ending March 31, 2024, which are shown on page 2 of this report.

#### (4) Others

1) Changes in important subsidiaries during the three-month period under review:

Komatsu (Shandong) Construction Machinery Corp. was absorbed and merged by Komatsu Machinery Manufacturing (Shandong) Co. Ltd. as of April 1, 2023.

As a result, Komatsu (Shandong) Construction Machinery Corp. was excluded from the scope of consolidation.

2) Use of simplified accounting procedures and adoption of specific accounting procedures for the preparation of consolidated quarterly financial statements: None

3) Changes in significant accounting rules, procedures and presentation and changes in significant accounting policies and estimates

a) Changes resulting from revisions in accounting standards, etc.

From the fiscal year ending March 31, 2024, Komatsu has adopted the Accounting Standards Update (“ASU”) 2016-13 “Financial Instruments —Credit Losses: Measurement of Credit Losses on Financial Instruments”. This update requires an entity to recognize credit losses for many financial assets based on current expected credit loss model instead of incurred loss model. The new model requires an entity to immediately recognize estimated credit losses expected to occur over the remaining life of the financial assets which are within the scope of this update. This update has been adopted under the modified retrospective approach through a cumulative effect adjustment to retained earnings at the beginning of the initial application period. Consequently, Komatsu reduced JPY 1,634 million as an adjustment of cumulative effect from retained earnings as of April 1, 2023.

From the fiscal year ending March 31, 2024, Komatsu has adopted ASU 2022-04 “Disclosure of Supplier Finance Program Obligations”. This update requires an entity that uses a supplier finance program in connection with the purchase of goods and services to disclose the key terms of the program, information about obligations outstanding at the end of the reporting period and a rollforward of those obligations during the reporting period. The adoption of this update had no impact on Komatsu’s financial position and results of operations.

b) Changes in other matters except for a) above: None

---

#### 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.

---

## Consolidated Financial Statements

### (1) Consolidated Balance Sheets

#### Assets

Millions of yen

	As of June 30, 2023		As of March 31, 2023	
		Ratio (%)		Ratio (%)
<b>Current assets</b>				
Cash and cash equivalents	¥ 343,471		¥ 289,975	
Trade notes and accounts receivable, net	1,139,656		1,111,913	
Inventories	1,394,655		1,227,208	
Other current assets	248,035		207,479	
<b>Total current assets</b>	<b>3,125,817</b>	<b>59.0</b>	<b>2,836,575</b>	<b>58.2</b>
<b>Long-term trade receivables, net</b>	<b>639,527</b>	<b>12.1</b>	<b>569,691</b>	<b>11.7</b>
<b>Investments</b>				
Investments in and advances to affiliated companies	55,237		52,325	
Investment securities	11,194		10,556	
Other	3,704		3,418	
<b>Total investments</b>	<b>70,135</b>	<b>1.3</b>	<b>66,299</b>	<b>1.4</b>
<b>Property, plant and equipment</b>				
- less accumulated depreciation and amortization	868,564	16.4	836,442	17.1
<b>Operating lease right-of-use assets</b>	<b>63,445</b>	<b>1.2</b>	<b>61,052</b>	<b>1.3</b>
<b>Goodwill</b>	<b>222,318</b>	<b>4.2</b>	<b>207,060</b>	<b>4.2</b>
<b>Other intangible assets</b>				
- less accumulated amortization	172,892	3.3	167,292	3.4
<b>Deferred income taxes and other assets</b>	<b>135,383</b>	<b>2.5</b>	<b>131,436</b>	<b>2.7</b>
<b>Total</b>	<b>¥ 5,298,081</b>	<b>100.0</b>	<b>¥ 4,875,847</b>	<b>100.0</b>

## Liabilities and Equity

Millions of yen

	As of June 30, 2023		As of March 31, 2023	
		Ratio (%)		Ratio (%)
<b>Current liabilities</b>				
Short-term debt	¥ 419,793		¥ 310,738	
Current maturities of long-term debt	189,769		176,835	
Trade notes, bills and accounts payable	367,361		362,360	
Income taxes payable	60,646		64,495	
Current operating lease liabilities	18,795		17,878	
Other current liabilities	501,467		439,355	
<b>Total current liabilities</b>	<b>1,557,831</b>	<b>29.4</b>	<b>1,371,661</b>	<b>28.1</b>
<b>Long-term liabilities</b>				
Long-term debt	596,571		566,189	
Liability for pension and retirement benefits	93,307		90,348	
Long-term operating lease liabilities	46,917		44,913	
Deferred income taxes and other liabilities	136,627		124,781	
<b>Total long-term liabilities</b>	<b>873,422</b>	<b>16.5</b>	<b>826,231</b>	<b>17.0</b>
<b>Total liabilities</b>	<b>2,431,253</b>	<b>45.9</b>	<b>2,197,892</b>	<b>45.1</b>
<b>Komatsu Ltd. shareholders' equity</b>				
Common stock	69,660		69,660	
Capital surplus	135,866		135,886	
Retained earnings:				
Appropriated for legal reserve	48,510		48,508	
Unappropriated	2,147,630		2,114,789	
Accumulated other comprehensive income (loss)	366,370		219,951	
Treasury stock	(49,138)		(49,153)	
<b>Total Komatsu Ltd. shareholders' equity</b>	<b>2,718,898</b>	<b>51.3</b>	<b>2,539,641</b>	<b>52.1</b>
<b>Noncontrolling interests</b>	<b>147,930</b>	<b>2.8</b>	<b>138,314</b>	<b>2.8</b>
<b>Total equity</b>	<b>2,866,828</b>	<b>54.1</b>	<b>2,677,955</b>	<b>54.9</b>
<b>Total</b>	<b>¥ 5,298,081</b>	<b>100.0</b>	<b>¥ 4,875,847</b>	<b>100.0</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### Consolidated Statements of Income

Millions of yen except per share amounts

	Three Months ended June 30, 2023		Three Months ended June 30, 2022	
		Ratio (%)		Ratio (%)
Net sales	¥ 899,551	100.0	¥ 763,808	100.0
Cost of sales	611,241	67.9	545,401	71.4
Selling, general and administrative expenses	141,502	15.7	124,039	16.2
Other operating income (expenses), net	213	0.0	(806)	(0.1)
<b>Operating income</b>	<b>147,021</b>	<b>16.3</b>	<b>93,562</b>	<b>12.2</b>
<b>Other income (expenses), net</b>				
Interest and dividend income	4,487	0.5	2,236	0.3
Interest expense	(11,960)	(1.3)	(4,672)	(0.6)
Other, net	8,620	1.0	21,349	2.8
<b>Total</b>	<b>1,147</b>	<b>0.1</b>	<b>18,913</b>	<b>2.5</b>
<b>Income before income taxes and equity in earnings of affiliated companies</b>	<b>148,168</b>	<b>16.5</b>	<b>112,475</b>	<b>14.7</b>
<b>Income taxes</b>	<b>38,683</b>	<b>4.3</b>	<b>29,515</b>	<b>3.9</b>
<b>Income before equity in earnings of affiliated companies</b>	<b>109,485</b>	<b>12.2</b>	<b>82,960</b>	<b>10.9</b>
<b>Equity in earnings of affiliated companies</b>	<b>2,186</b>	<b>0.2</b>	<b>1,045</b>	<b>0.1</b>
<b>Net income</b>	<b>111,671</b>	<b>12.4</b>	<b>84,005</b>	<b>11.0</b>
<b>Less: Net income attributable to noncontrolling interests</b>	<b>6,244</b>	<b>0.7</b>	<b>3,551</b>	<b>0.5</b>
<b>Net income attributable to Komatsu Ltd.</b>	<b>¥ 105,427</b>	<b>11.7</b>	<b>¥ 80,454</b>	<b>10.5</b>
<b>Net income attributable to Komatsu Ltd. per share (Yen)</b>				
<b>Basic</b>	<b>¥ 111.49</b>		<b>¥ 85.11</b>	
<b>Diluted</b>	<b>¥ 111.48</b>		<b>¥ 85.10</b>	

## Consolidated Statements of Comprehensive Income

Millions of yen

	<b>Three Months ended June 30, 2023</b>	Three Months ended June 30, 2022
<b>Net income</b>	¥ 111,671	¥ 84,005
<b>Other comprehensive income (loss), for the period, net of tax</b>		
Foreign currency translation adjustments	156,778	197,525
Pension liability adjustments	251	176
Net unrealized holding losses on derivative instruments	(1,317)	(1,140)
<b>Total</b>	<b>155,712</b>	196,561
<b>Comprehensive income</b>	<b>267,383</b>	280,566
<b>Less: Comprehensive income attributable to noncontrolling interests</b>	<b>15,537</b>	11,966
<b>Comprehensive income attributable to Komatsu Ltd.</b>	¥ <b>251,846</b>	¥ 268,600

### (3) Consolidated Statements of Cash Flows

Millions of yen

	<b>Three Months ended June 30, 2023</b>	Three Months ended June 30, 2022
<b>Operating activities</b>		
Net income	¥ 111,671	¥ 84,005
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	37,486	36,177
Deferred income taxes	3,534	5,218
Impairment loss and net gain on valuation of investment securities, net	(283)	(272)
Net loss (gain) on sale of fixed assets	(206)	135
Loss on disposal of fixed assets	440	317
Pension and retirement benefits, net	(179)	(451)
Changes in assets and liabilities:		
Decrease in trade receivables	13,340	29,735
Increase in inventories	(76,652)	(90,720)
Decrease in trade payables	(11,001)	(8,007)
Decrease in income taxes payable	(5,356)	(24,978)
Other, net	12,637	(33,506)
Net cash provided by (used in) operating activities	85,431	(2,347)
<b>Investing activities</b>		
Capital expenditures	(40,522)	(36,378)
Proceeds from sale of fixed assets	3,164	4,212
Purchases of investment securities	(50)	(1,365)
Acquisition of subsidiaries and equity investees, net of cash acquired	-	262
Other, net	(1,942)	(175)
Net cash used in investing activities	(39,350)	(33,444)
<b>Financing activities</b>		
Proceeds from debt issued (Original maturities greater than three months)	138,861	165,907
Payment on debt (Original maturities greater than three months)	(53,388)	(126,026)
Short-term debt, net (Original maturities three months or less)	(2,871)	95,769
Dividends paid	(70,950)	(52,963)
Other, net	(5,448)	(9,561)
Net cash provided by financing activities	6,204	73,126
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>1,211</b>	<b>30,848</b>
<b>Net increase in cash and cash equivalents</b>	<b>53,496</b>	<b>68,183</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>289,975</b>	<b>315,360</b>
<b>Cash and cash equivalents, end of period</b>	¥ <b>343,471</b>	¥ <b>383,543</b>



#### (4) Note to the Going Concern Assumption

None

#### (5) Business Segment Information

##### 1) Information by Operating Segments

(For Three Months ended June 30, 2023)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	842,239	17,703	39,609	899,551	-	899,551
Intersegment	4,622	5,190	843	10,655	(10,655)	-
Total	846,861	22,893	40,452	910,206	(10,655)	899,551
Segment profit	138,430	6,348	1,924	146,702	106	146,808

(For Three Months ended June 30, 2022)

Millions of yen

	Construction, Mining and Utility Equipment	Retail Finance	Industrial Machinery and Others	Subtotal	Corporate & elimination	Total
Net sales:						
Customers	713,628	16,251	33,929	763,808	-	763,808
Intersegment	1,696	3,688	611	5,995	(5,995)	-
Total	715,324	19,939	34,540	769,803	(5,995)	763,808
Segment profit	83,326	7,713	3,527	94,566	(198)	94,368

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, underground mining equipment, recycling equipment, industrial vehicles, other equipment, engines & components, casting products, logistics, and solution business

**b) Retail Finance**

Financing

**c) Industrial Machinery and Others**

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

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

## 2) Geographic Information

Net sales determined by customer location were as follows:

(For Three Months ended June 30, 2023 and 2022)

Millions of yen

	Japan	Americas	Europe & CIS	China	Asia* & Oceania	Middle East & Africa	Total
<b>FY2023</b>	<b>93,589</b>	<b>397,229</b>	<b>112,237</b>	<b>18,632</b>	<b>210,950</b>	<b>66,914</b>	<b>899,551</b>
FY2022	82,651	319,029	109,234	23,121	170,507	59,266	763,808

Note: \* Excluding Japan and China

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

None

(end)