**Komatsu Ltd.**
Corporate Communications Dept.
Tel: +81-(0)3-5561-2616
Date: October 20, 2016
URL: http://www.komatsu.com/

## Approval of merger agreement at shareholders meeting of Joy Global

Komatsu Ltd. (Head office: Minato-ku Tokyo, President and CEO: Tetsuji Ohashi, hereafter "Komatsu" or "Company") announced in its press release dated July 21, 2016, titled "Komatsu to acquire U.S. mining equipment manufacturer Joy Global" that it will acquire Joy Global Inc. (Head office: Wisconsin, USA, CEO: Edward L. Doheny II, hereafter "Joy Global", NYSE) through Komatsu America Corp. (Head office: Illinois, USA, Chairman and CEO: Rodney Schrader, hereafter "KAC"), a wholly-owned subsidiary of Komatsu in the USA (hereafter "Acquisition"). Komatsu is pleased to announce that the merger agreement for the Acquisition was approved at the extraordinary shareholders meeting of Joy Global which was held on October 19, 2016 (local time). The Acquisition is expected to close, subject to satisfaction of customary closing conditions, including the receipt of necessary regulatory clearances under competition laws in relevant countries. Please see "Future Outlook" below for the expected completion date of the Acquisition.

### Future outlook

After the Acquisition is complete, Joy Global will become a consolidated subsidiary of Komatsu. The expected completion date is not yet fixed because it may change depending on the timing of the receipt of necessary regulatory clearances under competition laws in relevant countries. Such regulatory clearances were received in the USA and Canada on October 12, 2016 and October 14, 2016 (local time), respectively. The completion of the Acquisition may occur within Komatsu's fiscal term ending March 2017 depending on the progress of the remaining regulatory clearance procedures. If the Acquisition is complete during Komatsu's fiscal term ending March 2017, there may be an impact on the consolidated results and performance of Komatsu for the fiscal term ending March 2017, but details of any such impact remain unknown at the present. The Company will make a disclosure of the impact of the Acquisition on its consolidated results and performance in a timely fashion as the closing procedure moves forward.

### Caution concerning forward-looking statements

This press release and other statements by Komatsu may include "forward-looking statements" within the meaning of applicable securities laws and regulations. Forward-looking statements in this release include without limitation statements regarding the

expected timing of the completion of the transaction described in the press release, operation of Joy Global's business following completion of the Acquisition, and statements regarding the future operation, direction and success of the business. Such statements are qualified by known and unknown risks and uncertainties surrounding future business performance, development and financial standing of the Company and Joy Global, and actual results could differ materially from those currently anticipated. Forward-looking statements may be identified by the use of words such as "believe", "anticipate", "expect", "plan", "intent", "may" "will", "estimate" and "future" and other similar expressions, or in particular in the form of discussions of strategies, plans or intentions. Factors that could cause our actual results to differ materially from those described in forward-looking statements include, but are not limited to: (i) uncertainties as to whether or when the transaction will be consummated, (ii) the possibility that various closing conditions for the transaction may not be satisfied, (iii) the effects of disruption caused by the announcement of this transaction making it difficult to maintain relationships with employees, customers, suppliers and other business partners and the potential inability to retain existing Joy Global management upon whom Komatsu will rely, (iv) the risk that stockholder litigation in connection with the transaction may affect the timing of the transaction or result in significant costs of defense, indemnification and liability, (v) other business effects, including the effects of legal systems, accounting principles or other changes in business environment outside of the control of Komatsu or Joy Global, (vi) the risk that anticipated synergies and other benefits of the acquisition will not materialize, (vii) financial instability and other changes in economy in general or industry, (viii) transaction costs, (ix) costs and availability of financing on favorable terms and future capital needs, (x) changes in costs of supplies and raw materials, customer preferences, exchange rates and other national, regional or global economic and financial conditions, (xi) marketing, regulatory, product liability, supply, competitive, political and other risks, (xii) actual or contingent liabilities, (xiii) changes in and ability to comply with environmental, tax, labor and employment, and other laws and regulations, and (xiv) other risks including but not limited to those set forth under the "risk factor" section in Joy Global's Annual Report on Form 10–K which was filed with the U.S. Securities and Exchange Commission (the "SEC") and other material submitted to SEC (as available from the SEC website free of charge at http://www.sec.gov )

Unless legally required, Komatsu disclaims any obligation to update any forward-looking statements after the date of this release, whether as a result of new information, future events or otherwise. All forward-looking statements in this announcement are qualified in their entirety by this cautionary statement.