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Notice of Closing of Acquisition of Joy Global Inc.

On July 21, 2016, Komatsu Ltd. (Head Office: Minato-ku, Tokyo. President and CEO: Tetsuji Ohashi) (hereafter "Komatsu") announced that Komatsu planned to acquire Joy Global Inc. (Head office: Wisconsin, USA, hereafter "Joy Global", NYSE) (hereafter the "Acquisition"), a leading manufacturer of surface and underground mining equipment in the United States, through Komatsu America Corp. (Head office: Illinois, USA, Chairman and CEO: Rodney Schrader), a wholly-owned subsidiary of Komatsu in the US. Effective April 5, 2017 (local time: UTC-5), Komatsu closed the Acquisition after receiving all necessary regulatory approvals. The consideration of the Acquisition of common shares of Joy Global was approximately USD 2,820 million, and advisory fees and other expenses were approximately JPY 3.4 billion.

Komatsu plans to change the trade name of Joy Global to Komatsu Mining Corp. Komatsu will provide further information on the details, such as the timing of change, once such details are decided.

Komatsu will also promptly disclose any effects of the Acquisition on our consolidated financial statements in case any reportable matter arises.

The business combination resulting from the Acquisition is expected to have certain effects on our accounting procedures. For FY2017 and onward, Komatsu plans to include inventories after conducting a fair value measurement in its cost of sales and also recognize expenses for the depreciation of intangible fixed assets. Komatsu will conduct a fair value measurement of the acquired assets and assumed obligations pursuant to Financial Accounting Standards Board Accounting Standards Codification 805, "Business Combinations" and, after completion of accounting audit, will finalize the quantitative effects of such treatments within one year.

Outline of Joy Global

(1) Trade name	Joy Global Inc.
(2) Headquarters	Milwaukee, Wisconsin, USA
(3) Line of business	Manufacture, sales and services of mining equipment for surface and underground mining
(4) Founded	1884

(5) Consolidated financial position and consolidated operating results in the past 4 years

Fiscal term	Ending October 2013	Ending October 2014	Ending October 2015	Ending October 2016
Net assets (million U$)	2,855	2,836	1,420	1,381
Total assets (million U$)	5,786	5,592	3,712	3,426
Shareholders' equity per share (U$)	26.69	28.10	14.57	14.09
Operating income (million U$)	5,012	3,778	3,172	2,371
Operating profit (million U$)	835	527	(1,109)	(41)
Net income (million U$)	536	338	(1,178)	(58)
Net income per share (U$)	5.02	3.35	(12.08)	(0.59)