For Immediate Release

Komatsu Ltd.
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URL: https://home.komatsu/en/

Notice of Dividend of Surplus

Komatsu Ltd. (President and CEO: Tetsuji Ohashi) (hereafter "the Company") announces that, at a meeting of its Board of Directors held on April 26, 2018, the Company decided to pay a dividend of surplus with the record date of March 31, 2018 and propose this plan at the 149th ordinary general meeting of shareholders. Details are as follows.

1. Details of dividend

	Amount decided	Most recent dividend plan (announced on October 27, 2017)	Results in the previous fiscal year (ended March 31, 2017)
Record date	March 31, 2018	Same as on the left	March 31, 2017
Dividend per share	JPY48	JPY36	JPY29
Total amount of dividends	JPY45,301 million	—	JPY27,362 million
Effective date	June 20, 2018	—	June 21, 2017
Source of dividends	Retained earnings	—	Retained earnings

2. Reason

The Company is building a sound financial position as well as flexible and agile corporate strengths to increase its corporate value. Concerning the policy for cash dividends to shareholders, the Company redistributes profits by considering consolidated business results and continues to pay stable dividends. Specifically, the Company holds the policy of setting the goal of a consolidated payout ratio of 40% or higher and no decrease of dividends, as long as the consolidated payout ratio does not surpass 60%.

Based on this policy, the Company has determined the year-end dividend amount of JPY48 per share by increasing JPY12 from the amount announced on October 27, last year, after having reviewed the business results for the fiscal year under review, as well as current and future prospects. Accordingly, annual dividends in FY2017 will total JPY84 per share, an increase of JPY26 per share from FY2016 ended March 31, 2017. The Company plans to propose this dividend plan at the 149th ordinary general meeting of shareholders.

(Reference)

	Dividend per share (JPY)		
Record date	Second quarter-end	Fiscal year-end	Total
FY2017	JPY36	JPY48	JPY84
FY2016 Ended March 2017	JPY29	JPY29	JPY58

(end)