May 18, 2020

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Name of Representative: Hiroyuki Ogawa, President and CEO
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Coronavirus (COVID-19) Effects on Komatsu Group's Business (4)

Komatsu Ltd. (hereafter "Komatsu") has announced "Coronavirus (COVID-19) Effects on Komatsu Group's Business (4)" as attached.

End

For Immediate Release

Komatsu Ltd.
Date: May 18, 2020
No. 0015(2946)

Coronavirus (COVID-19) Effects on Komatsu Group's Business (4)

Komatsu group places top priority on the safety and health of our customers and suppliers, residents of local communities, and employees and their families. Komatsu works to prevent coronavirus infections from spreading, based on the policies of the governments of host countries where Komatsu conducts business. Its construction, mining and utility equipment, forest machines and industrial machinery are needed by customers engaging in essential businesses to support critical social infrastructure. For Komatsu to fulfill its responsibilities to customers, it will continue to supply products, parts and service after implementing thorough countermeasures against infections.

In Japan, the government has decided to lift the state of emergency in 39 prefectures on May 14. As we still have some business bases in the prefectures under the state of emergency, we are ensuring infection-preventive measures based on the requests and guidelines of the respective municipal governments. Employees, who are not directly involved in production at plants, engage in teleworking, as a general rule, Concerning the employees directly involved in production at plants, we are taking infection-preventive measures (fever checks, no use of public transportation, and the avoidance of crowded places, such as locker rooms) before starting work.

We will continue to place top priority on health and safety, based on the government's policies, and will start thinking about long-term measures, as we look into "new lifestyles".

In this release, we revise some information in "Coronavirus (COVID-19) Effects on Komatsu Group's Business (3)" of April 21 and provide the latest information.

1. Effects on production and sales

We have worked on the global cross-sourcing and procurement of finished vehicles and parts in order to absorb the impact of changes in market demand and foreign exchange rates. We are working to minimize the effects on production by means of alternative procurement and inventory reallocation.

With respect to our distributors, they are working on the continuous supply of products, parts, and service to customers, as they reassess their supply routes and shift work schedules while teleworking.

Updated conditions of our production bases are described as follows.

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Information contained in this news release is valid as of the date of releasing and may be changed without notice.

[Conditions of main production bases by region] (As of May 18, 2020) [*1]

[*1] Bases as affected by haling operations are described below. (**Renewed**)

Regions	Names	Conditions	Notes
Japan	-	-	
Americas	Komatsu do Brasil Ltda.	**Production resumed.**	**Resumed on April 22**
Europe & CIS	Komatsu Italia Manufacturing S.p.A.	**Production resumed.**	**Resumed on May 4**
	Komatsu UK Ltd.	Halt production. (March 30 – May 31)	
	Komatsu Germany GmbH Construction Division （Hannover, Germany）	Production resumed.	Resumed on April 14
	Komatsu Forest AB	**Production resumed.**	**Resumed on May 2**
	Komatsu Manufacturing Rus, LLC	Production resumed.	Resumed on April 13
China	All plants	Resumed production.	Resumed steadily since February 10, and resumed production at all plants on February 17.
Asia & Oceania	Komatsu India Pvt. Ltd.	**Halt production. (March 24 – May 31)**	**Extended from May 3 (planned before)**
Middle East & Africa	-	-	

2. Effects on business results

Please refer to today's news release for consolidated business results for the fiscal year ended March 31, 2020, as well as the presentation materials. Concerning the projection of consolidated business results for the fiscal year ending March 31, 2021, it is difficult for Komatsu to calculate them in an appropriate and rational manner, so they remain undecided as of now. Komatsu will disclose them as soon as it becomes possible to calculate them in the future.

(end)

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