

KOMATSU LTD
Form 6-K
August 02, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 6-K

Report of Foreign Private Issuer

**Pursuant to Rule 13a-16 or 15d-16 under
the Securities Exchange Act of 1934**

For the month of August, 2012

COMMISSION FILE NUMBER: 1-7239

KOMATSU LTD.

Translation of registrant's name into English

3-6 Akasaka 2-chome, Minato-ku, Tokyo, Japan

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Address of principal executive office

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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INFORMATION INCLUDED IN THIS REPORT

1. English translation of a company announcement made on July 31, 2012 regarding the Consolidated Business Results for the First Quarter of the Fiscal Year Ending March 31, 2013 (U.S. GAAP).
2. English translation of a company announcement made on July 31, 2012 regarding Revision of Projections for the Fiscal Year Ending March 31, 2013(Consolidated and Non-consolidated)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KOMATSU LTD.
(Registrant)

Date: August 2, 2012

By: /S/ Mikio Fujitsuka
Mikio Fujitsuka
Director and Senior Executive Officer

Table of Contents**Komatsu Ltd.**

Corporate Communications Dept.

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

Date: July 31, 2012

URL: <http://www.komatsu.com/>**Consolidated Business Results for the First Quarter of the Fiscal Year Ending****March 31, 2013 (U.S. GAAP)****1. Results for the First Quarter of the Fiscal Year Ending March 31, 2013**

(Amounts are rounded to the nearest million yen)

(1) Consolidated Financial Highlights

Millions of yen except per share amounts

| | First quarter ended June 30, 2012 | First quarter ended June 30, 2011 | Changes | |
|--|--|---|-----------|-----------|
| | [A] | [B] | [A-B] | [(A-B)/B] |
| Net sales | 469,948 | 494,177 | (24,229) | (4.9)% |
| Operating income | 55,718 | 68,369 | (12,651) | (18.5)% |
| Income before income taxes and equity in earnings of affiliated companies | 51,242 | 68,441 | (17,199) | (25.1)% |
| Net income attributable to Komatsu Ltd. | 32,124 | 55,706 | (23,582) | (42.3)% |
| Net income attributable to Komatsu Ltd. per share (Yen) | | | | |
| Basic | ¥ 33.73 | ¥ 57.55 | ¥ (23.82) | |
| Diluted | ¥ 33.71 | ¥ 57.50 | ¥ (23.79) | |

Note: Comprehensive income (loss):

First quarter period ended June 30, 2012: (6,979) millions of yen

First quarter period ended June 30, 2011: 45,305 millions of yen

(2) Consolidated Financial Position

Millions of yen except per share amounts

| | As of June 30, 2012 | As of March 31, 2012 |
|--|----------------------------|-----------------------------|
| Total assets | 2,244,293 | 2,320,529 |
| Total equity | 1,025,791 | 1,057,457 |
| Komatsu Ltd. shareholders equity | 983,324 | 1,009,696 |
| Komatsu Ltd. shareholders equity ratio | 43.8% | 43.5% |
| Komatsu Ltd. shareholders equity per share (Yen) | ¥ 1,032.54 | ¥ 1,060.31 |

2. Dividends

(For the fiscal years ended March 31, 2012 and ending March 31, 2013)

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| | 2012 | 2013 Projections |
|---------------------------------|------|------------------|
| Cash dividends per share (Yen) | | |
| First quarter period | | |
| Interim (Second quarter period) | 21 | 24 |
| Third quarter period | | |
| Year-end | 21 | 24 |
| Total | 42 | 48 |

Note: Changes in the projected cash dividend as of July 31, 2012: None

Table of Contents**3. Projections for the Fiscal Year Ending March 31, 2013**

(From April 1, 2012 to March 31, 2013)

Millions of yen except per share amounts

| | The first half of the year | | The full fiscal year | |
|---|----------------------------|---------|----------------------|---------|
| | | Changes | | Changes |
| Net sales | 940,000 | (4.7)% | 1,970,000 | (0.6)% |
| Operating income | 111,000 | (16.5)% | 262,000 | 2.2% |
| Income before income taxes and equity in earnings of affiliated companies | 105,000 | (19.4)% | 252,000 | 1.0% |
| Net income attributable to Komatsu Ltd. | 64,000 | (32.4)% | 157,000 | (6.0)% |
| Net income attributable to Komatsu Ltd. per share (basic) (Yen) | ¥ 67.20 | | ¥ 164.86 | |

Notes: 1) Changes in the projected consolidated business results as of July 31, 2012: Yes

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

4. Others

- (1) Changes in important subsidiaries during the first quarter period under review: None
- (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 in accounting policies due to the revision of accounting standards and other regulations: Yes The Company adopted the Accounting Standards Update (ASU) 2011-05, Presentation of Comprehensive Income, starting in the first quarter period of FY2012, ending March 31, 2013. The Update requires an entity to report comprehensive income either in a single continuous financial statement (one-statement approach) or in two separate but consecutive statements (two-statement approach). Concerning ASU2011-12, Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items out of Accumulated Other Comprehensive Income in ASU 2011-05, however, the effective date for amendments to the presentation of reclassification of items out of other comprehensive income has been deferred. ASU2011-05 being a disclosure regulation, such adoption did not have any impact on the Company's financial position and results of operations.
- 2) Change in other matters except for 1) above: None
- (4) Number of common shares outstanding
- 1) The numbers of common shares issued (including treasury stock) were as follows:
As of June 30, 2012: 983,130,260 shares

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As of March 31, 2012: 983,130,260 shares

2) The numbers of shares of treasury were as follows:

As of June 30, 2012: 30,796,452 shares

As of March 31, 2012: 30,869,238 shares

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

First quarter period ended June 30, 2012: 952,310,027 shares

First quarter period ended June 30, 2011: 967,942,471 shares

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Management Performance and Financial Conditions

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Management Performance and Financial Conditions**(1) Outline of Operations and Business Results**

Under the Global Teamwork for Tomorrow mid-range management plan for three years, to be completed in the fiscal year ending March 31, 2013, Komatsu Ltd. (Company) and its consolidated subsidiaries (together Komatsu) are focusing efforts on 1) promotion of ICT (Information and Communication Technology) applications to products and parts, 2) further advancement of environmental friendliness and safety in machine performance, 3) expansion of sales and service operations in Strategic Markets, and 4) promotion of continuous Kaizen (improvement) by strengthening workplace capability.

For the first quarter (three months from April 1 to June 30, 2012), consolidated net sales declined by 4.9% from the corresponding period a year ago, to JPY469.9 billion (USD5,874 million, at USD1=JPY80). In the construction, mining and utility equipment business, while sales of mining equipment and its parts and service advanced, those of construction equipment dropped to about half in China. In addition, the Japanese yen appreciated against the U.S. dollar and Euro more than the corresponding period a year ago. As a result, first-quarter sales declined from the corresponding period a year ago. In the industrial machinery and others business, first-quarter sales declined from the corresponding period a year ago, as adversely affected by a sharp drop in sales of wire saws for use in slicing silicon ingots for the solar cell market. Although Komatsu worked to continuously improve selling prices and production costs, first-quarter profits were adversely affected by declined volume of sales coupled with higher appreciation of the Japanese yen against the U.S. dollar and Euro compared to the corresponding period a year ago. Specifically, operating income for the first quarter declined by 18.5% to JPY55.7 billion (USD696 million), which translated into an operating income ratio of 11.9%, a decline of 1.9 points. Income before income taxes and equity in earnings of affiliated companies decreased by 25.1% to JPY51.2 billion (USD641 million). Net income attributable to Komatsu Ltd. amounted to JPY32.1 billion (USD402 million), down 42.3%.

Concerning assistance efforts for restoration and reconstruction of the regions devastated by the Great East Japan Earthquake and tsunami, Komatsu has continuously offered free-of-charge lending of construction equipment, forklift trucks, temporary housing units and other equipment as well as scholarships for college students who were adversely affected by this disaster. In May this year, Komatsu decided to provide additional assistance worth JPY800 million (total assistance in value: JPY2.8 billion). Komatsu is going to continue group-wide assistance efforts into the future.

[Markets as Positioned by Komatsu]

Traditional Markets
Strategic Markets

Japan, North America and Europe
China, Latin America, Asia, Oceania, Africa, Middle East and CIS

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| [Consolidated Financial Highlights] | Millions of yen | | |
|--|--|---|----------------------|
| | First quarter ended June 30, 2012 | First quarter ended June 30, 2011 | |
| | 1USD=JPY80.6 | 1USD=JPY81.2 | |
| | 1EUR=JPY104.6 | 1EUR=JPY118.3 | |
| | 1RMB=JPY12.8 | 1RMB=JPY12.5 | |
| | [A] | [B] | Changes [(A-B)/B] |
| Net sales | 469,948 | 494,177 | (4.9)% |
| Construction, Mining and Utility Equipment | 429,776 | 436,630 | (1.6)% |
| Industrial Machinery and Others | 43,086 | 60,569 | (28.9)% |
| Elimination | (2,914) | (3,022) | |
| Segment profit | 55,264 | 68,112 | (18.9)% |
| Construction, Mining and Utility Equipment | 54,202 | 60,886 | (11.0)% |
| Industrial Machinery and Others | 2,376 | 8,844 | (73.1)% |
| Corporate & elimination | (1,314) | (1,618) | |
| Operating income | 55,718 | 68,369 | (18.5)% |
| Income before income taxes and equity in earnings of affiliated companies | 51,242 | 68,441 | (25.1)% |
| Net income attributable to Komatsu Ltd. | 32,124 | 55,706 | (42.3)% |

* Unless otherwise noted, all sales by segments in this report indicate the amounts before elimination of inter-segment transactions.

Construction, Mining and Utility Equipment

In the construction equipment sector, while Chinese demand for hydraulic excavators dropped to about half in the first quarter under review from the corresponding period a year ago, demand for construction equipment grew in other Strategic markets and in Japan and North America of Traditional Markets. However, this failed to compensate for the reduced demand in China. As a result, global demand for construction equipment turned downward in the first quarter. In the mining equipment sector, demand for equipment, parts and service advanced albeit with some adverse effects of lowered prices of some commodities, such as coal. In addition, the Japanese currency appreciated higher against the U.S. dollar and Euro than the corresponding period a year ago. As a result, first-quarter sales of construction, mining and utility equipment decreased by 1.6% from the corresponding period a year ago, to JPY429.7 billion (USD5,372 million). Segment profit declined by 11.0% to JPY54.2 billion (USD678 million).

During the first quarter under review, Komatsu engaged in continuous efforts to improve production costs, such as the 30% productivity improvement campaign at Japanese plants, worked to sharpen its corporate strength for high profitability, capable of flexibly responding to foreign exchange and market demand fluctuations, and stepped up efforts to reduce electric power consumption at Japanese plants. With respect to products, Komatsu launched new emission standards-compliant models in Japan in July this year, following North America and Europe. Together with these products, Komatsu began offering the KOMATSU CARE complimentary service program. Komatsu also worked to expand sales of HB205 and 215LC hybrid hydraulic excavators around the world.

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[Sales to outside customers of Construction, Mining and Utility Equipment by Region]

Millions of yen

| | First quarter ended | First quarter ended | Changes | |
|----------------------|---------------------|---------------------|----------------|---------------|
| | June 30, 2012 | June 30, 2011 | [A-B] | [(A-B)/B] |
| | [A] | [B] | | |
| Japan | 62,552 | 61,436 | 1,116 | 1.8% |
| Americas | 125,308 | 106,173 | 19,135 | 18.0% |
| Europe & CIS | 49,839 | 53,556 | (3,717) | (6.9)% |
| China | 40,750 | 75,454 | (34,704) | (46.0)% |
| Asia* & Oceania | 122,823 | 109,109 | 13,714 | 12.6% |
| Middle East & Africa | 27,649 | 29,596 | (1,947) | (6.6)% |
| Total | 428,921 | 435,324 | (6,403) | (1.5)% |

* Excluding Japan and China

Japan

The number of used equipment in surplus exported from Japan, which had outnumbered demand for new equipment since around 2000, has reached bottom, and since the Great East Japan Earthquake, demand has grown for construction equipment for use in restoration and reconstruction, centering on rental companies in eastern Japan. As a result, demand steadily increased and first-quarter sales improved from the corresponding period a year ago.

Komatsu launched new emission standards-compliant models in Japan in July this year, following North America and Europe. Together with these products, Komatsu began offering the KOMATSU CARE. In the utility equipment business, Komatsu embarked on the market introduction, initially in Japan, of the FH series forklift trucks powered by the hydrostatic transmission which features Komatsu's technological expertise in hydraulics and controls of construction equipment accumulated over the years.

Americas

In North America, where recovery of demand in the housing sector has picked up momentum, demand for equipment has remained strong in the rental, energy development and mining industries. As a result, demand increased from the corresponding period a year ago. Komatsu concerted aggressive efforts to further expand sales of new emission standards-compliant models, which it launched last year. In concert with sales efforts, Komatsu also emphasized after-sales product support under the KOMATSU CARE.

In Latin America, demand for mining equipment remained brisk, centering on Chile and Brazil, while demand for construction equipment stayed on a softened note in Brazil, the largest market of the region. As a result, overall demand for equipment increased steadily, and first-quarter sales in the Americas improved from the corresponding period a year ago.

Europe & CIS

While concerns over economic slowdown remained against the backdrop of fiscal problems, demand increased steadily in the major markets of Germany, France and the United Kingdom. In CIS, demand continued to increase on a bright note especially in gold mines and civil engineering and construction. However, as the Japanese yen appreciated higher against the Euro than the corresponding period a year ago, sales in Europe and CIS declined for the first quarter under review.

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In Europe, Komatsu concerted efforts to further expand sales of new emission standards-compliant models, which it launched last year. In CIS, Komatsu opened the Komatsu Lab, a construction and road equipment laboratory, at the Pacific National University (PNU) in April this year, based on an agreement with PNU and the State Government of Khabarovsk in October last year to develop human resources for construction, mining and road construction equipment in far eastern Russia.

China

Although the government introduced the credit easing measure, there were still no clear signs for new projects to start. Demand for hydraulic excavators dropped to almost half in the first quarter under review from the corresponding period a year ago, and first-quarter sales dropped sharply from the corresponding period a year ago. Komatsu focused efforts to expand sales of hybrid hydraulic excavators and increased their sales to account for about 20% of all 20-ton class hydraulic excavator units sold. Based on its projection to further expand sales of hybrid hydraulic excavators in the mid to long-term range, Komatsu began their assembly in China.

Asia & Oceania

In Indonesia, the largest market of Southeast Asia, while demand for equipment began to slow down in the mining industry, as particularly affected by the falling price of thermal coal, demand for equipment remained brisk in the civil engineering, agricultural and forestry industries. In Thailand, demand advanced for use in the reconstruction of area damaged by the flood last year. In Australia, coupled with strong demand for mining equipment, that for construction equipment also increased steadily. Reflecting these market conditions, first-quarter sales in Asia & Oceania improved from the corresponding period a year ago.

Middle East & Africa

While demand for mining equipment remained strong in Africa, unstable political conditions continued in some countries. As a result, first-quarter sales in the Middle East & Africa decreased from the corresponding period a year ago. In Africa, Komatsu continued to strengthen sales and product support operations, as it anticipates mid- to long-range continuous market growth in mine and infrastructure development. Specific measures undertaken include the market introduction of KOMTRAX (Komatsu Machine Tracking System)-installed standard construction equipment in South Africa, applications of KOMTRAX information to sales promotion, and joint establishment of new parts depots with our distributors which opened in April 2012, and are operated jointly in Southern Africa.

Industrial Machinery and Others

During the first quarter under review, sales of large presses and machine tools, which are used to make automotive engines, increased, and sales by Gigaphoton Inc. were included. Meanwhile, sales of wire saws, which are used to slice silicon ingots for solar cells, plunged sharply, and sales of temporary housing units dropped. As a result, first-quarter sales of the industrial machinery and others business declined 28.9% from the corresponding period a year ago, to JPY43.0 billion (USD539 million). Segment profit decreased by 73.1% to JPY2.3 billion (USD30 million).

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As of June 30, 2012, total assets declined by JPY76.2 billion from the previous fiscal year-end, to JPY2,244.2 billion (USD28,054 million), mainly due to decreased trade notes and accounts receivable. Interest-bearing debt increased by JPY8.1 billion from the previous fiscal year-end, to JPY655.9 billion (USD8,199 million), largely reflecting long-term debt financing. Komatsu Ltd. shareholders' equity decreased by JPY26.3 billion from the previous fiscal year-end, to JPY983.3 billion (USD12,292 million), mainly due to a decrease in foreign currency translation adjustments against the backdrop of the Japanese currency's appreciation. As a result, Komatsu Ltd. shareholders' equity ratio increased by 0.3 points from the previous fiscal year-end, to 43.8%. Net debt-to-equity ratio* was 0.58, compared to 0.56 as of the previous fiscal year-end.

* $Net\ debt\text{-}to\text{-}equity\ ratio = (Interest\text{-}bearing\ debt - Cash\ and\ cash\ equivalents - Time\ deposits) / Komatsu\ Ltd.\ shareholders'\ equity$
 For the first quarter period under review, net cash provided by operating activities amounted to JPY40.0 billion (USD500 million), compared to JPY5.9 billion for net cash used in operating activities for the corresponding period a year ago. This increase mainly due to decreased trade notes and accounts receivable. Net cash used in investing activities totaled JPY28.3 billion (USD355 million), an increase of JPY1.9 billion from the corresponding period a year ago, mainly due to the purchase of fixed assets. Net cash used in financing activities amounted to JPY1.7 billion (USD21 million), mainly due to the payment of long-term debt which was more than long- and short-term debt financings, compared to JPY32.6 billion for net cash provided for the corresponding period a year ago. In addition, after adding the effects of foreign exchange fluctuations, cash and cash equivalents, as of June 30, 2012, totaled JPY89.7 billion (USD1,122 million), an increase of JPY6.6 billion from the previous fiscal year-end.

(3) Projections for the Fiscal Year Ending March 31, 2013

In the construction, mining and utility equipment business, we have considered the following major risks of demand downturns. The recovery of Chinese demand is slower than initially projected. Indonesian demand for mining equipment is softening mainly against the backdrop of falling prices of thermal coal. In the industrial machinery and others business, we are facing the market conditions, which are more challenging than initially anticipated, of wire saws for use in slicing silicon ingots for the solar cell market. In addition to these market conditions, we have also considered adverse effects of the Japanese yen's appreciation on business results. Accordingly, we have revised our projections of April 26, 2012 concerning sales and profits of consolidated business results for the first six-month period (April 1 – September 30, 2012) of the fiscal year ending March 31, 2013 and for the full fiscal year (April 1, 2012 – March 31, 2013).

Concerning the foreign exchange rates, which are preconditions for our current projections, we have assumed them as follows: USD1=JPY79, EUR1=JPY97 and RMB1=JPY12.5 in the second, third and fourth quarters. Average full-year rates will be as follows: USD1=JPY79, EUR1=JPY99 and RMB1=JPY12.6.

(Ref: USD1=JPY80, EUR1=JPY105 and RMB1=JPY12.8 as announced on April 26, 2012)

Table of Contents**1) Revision of projections for the first six-month period ending March 31, 2013**

Millions of yen except per share amounts

| | Earlier projection (A) | Current projection (B) | Changes | | Results for the first 6 months of FY 2011 |
|---|------------------------------|---------------------------------------|------------------------------|-----------|---|
| | | | Increase (Decrease) [B-A] | [(B-A)/A] | |
| Net sales | 1,010,000 | 940,000 | (70,000) | (6.9)% | 985,867 |
| Operating income | 142,000 | 111,000 | (31,000) | (21.8)% | 132,949 |
| Income before income taxes and equity in earnings of affiliated companies | 138,000 | 105,000 | (33,000) | (23.9)% | 130,243 |
| Net income attributable to Komatsu Ltd. | 84,000 | 64,000 | (20,000) | (23.8)% | 94,675 |
| Net income attributable to Komatsu Ltd. per share (Yen) | ¥ 88.21 | ¥ 67.20 | | | ¥ 97.82 |

2) Revision of projections for the fiscal year ending March 31, 2013

Millions of yen except per share amounts

| | Earlier projection (A) | Current projection (B) | Changes | | Results for FY 2011 |
|---|------------------------------|---------------------------------------|------------------------------|-----------|------------------------|
| | | | Increase (Decrease) [B-A] | [(B-A)/A] | |
| Net sales | 2,100,000 | 1,970,000 | (130,000) | (6.2)% | 1,981,763 |
| Operating income | 315,000 | 262,000 | (53,000) | (16.8)% | 256,343 |
| Income before income taxes and equity in earnings of affiliated companies | 308,000 | 252,000 | (56,000) | (18.2)% | 249,609 |
| Net income attributable to Komatsu Ltd. | 190,000 | 157,000 | (33,000) | (17.4)% | 167,041 |
| Net income attributable to Komatsu Ltd. per share (Yen) | ¥ 199.53 | ¥ 164.86 | | | ¥ 173.47 |

[Reference]**Projections of the Company for the Fiscal Year Ending March 31, 2013**

As in the case of consolidated business results, we have considered delaying recovery of demand in China, a risk of lowering demand in Indonesia in the construction, mining and utility equipment business, and adverse effects of the foreign exchange rates on business results. Accordingly, we have revised our projections of April 26, 2012 concerning sales and profits of non-consolidated business results for the fiscal year ending March 31, 2013.

Millions of yen except per share amounts

| | Earlier projection (A) | Current projection (B) | Changes | | Results for FY 2011 |
|------------------|------------------------------|---------------------------------------|------------------------------|-----------|------------------------|
| | | | Increase (Decrease) [B-A] | [(B-A)/A] | |
| Net sales | 930,000 | 810,000 | (120,000) | (12.9)% | 851,139 |
| Operating profit | 90,000 | 54,000 | (36,000) | (40.0)% | 55,338 |

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| | | | | | |
|----------------------------|---------|----------------|----------|---------|---------|
| Ordinary profit | 120,000 | 84,000 | (36,000) | (30.0)% | 88,079 |
| Net income | 89,000 | 65,000 | (24,000) | (27.0)% | 92,593 |
| Net income per share (Yen) | ¥ 93.41 | ¥ 68.22 | | | ¥ 96.10 |

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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.

Table of Contents**Consolidated Financial Statements****(1) Consolidated Balance Sheets****Assets**

Millions of yen

| | As of June 30, 2012 | | As of March 31, 2012 | |
|---|---------------------|--------------|----------------------|--------------|
| | | Ratio (%) | | Ratio (%) |
| Current assets | | | | |
| Cash and cash equivalents | ¥ 89,776 | | ¥ 83,079 | |
| Time deposits | 344 | | 907 | |
| Trade notes and accounts receivable | 478,892 | | 559,749 | |
| Inventories | 615,400 | | 612,359 | |
| Deferred income taxes and other current assets | 146,298 | | 144,278 | |
| Total current assets | 1,330,710 | 59.3 | 1,400,372 | 60.3 |
| Long-term trade receivables | 193,243 | 8.6 | 184,294 | 8.0 |
| Investments | | | | |
| Investments in and advances to affiliated companies | 19,778 | | 20,565 | |
| Investment securities | 46,359 | | 54,192 | |
| Other | 2,300 | | 2,582 | |
| Total investments | 68,437 | 3.0 | 77,339 | 3.3 |
| Property, plant and equipment | | | | |
| - Less accumulated depreciation and amortization | 521,955 | 23.3 | 529,656 | 22.8 |
| Goodwill | 30,569 | 1.4 | 31,229 | 1.4 |
| Other intangible assets | | | | |
| - Less accumulated amortization | 55,619 | 2.5 | 57,953 | 2.5 |
| Deferred income taxes and other assets | 43,760 | 1.9 | 39,686 | 1.7 |
| Total | ¥ 2,244,293 | 100.0 | ¥ 2,320,529 | 100.0 |

Table of Contents**Liabilities and Equity**

Millions of yen

| | As of June 30, 2012 | | As of March 31, 2012 | |
|---|---------------------|--------------|----------------------|--------------|
| | | Ratio (%) | | Ratio (%) |
| Current liabilities | | | | |
| Short-term debt | ¥ 227,659 | | ¥ 215,824 | |
| Current maturities of long-term debt | 132,752 | | 119,457 | |
| Trade notes, bills and accounts payable | 249,873 | | 273,460 | |
| Income taxes payable | 16,418 | | 23,195 | |
| Deferred income taxes and other current liabilities | 208,157 | | 231,774 | |
| Total current liabilities | 834,859 | 37.2 | 863,710 | 37.2 |
| Long-term liabilities | | | | |
| Long-term debt | 295,521 | | 312,519 | |
| Liability for pension and retirement benefits | 49,943 | | 50,685 | |
| Deferred income taxes and other liabilities | 38,179 | | 36,158 | |
| Total long-term liabilities | 383,643 | 17.1 | 399,362 | 17.2 |
| Total liabilities | 1,218,502 | 54.3 | 1,263,072 | 54.4 |
| Komatsu Ltd. shareholders' equity | | | | |
| Common stock | 67,870 | | 67,870 | |
| Capital surplus | 138,384 | | 138,384 | |
| Retained earnings: | | | | |
| Appropriated for legal reserve | 38,250 | | 37,954 | |
| Unappropriated | 963,160 | | 951,395 | |
| Accumulated other comprehensive income (loss) | (180,924) | | (142,389) | |
| Treasury stock | (43,416) | | (43,518) | |
| Total Komatsu Ltd. shareholders' equity | 983,324 | 43.8 | 1,009,696 | 43.5 |
| Noncontrolling interests | 42,467 | 1.9 | 47,761 | 2.1 |
| Total equity | 1,025,791 | 45.7 | 1,057,457 | 45.6 |
| Total | ¥ 2,244,293 | 100.0 | ¥ 2,320,529 | 100.0 |

Table of Contents**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income

Millions of yen except per share amounts

| | First quarter ended June 30, 2012 | | First quarter ended June 30, 2011 | |
|--|--------------------------------------|--------------|--------------------------------------|--------------|
| | | Ratio (%) | | Ratio (%) |
| Net sales | ¥ 469,948 | 100.0 | ¥ 494,177 | 100.0 |
| Cost of sales | 343,155 | 73.0 | 356,637 | 72.2 |
| Selling, general and administrative expenses | 71,529 | 15.2 | 69,428 | 14.0 |
| Other operating income, net | 454 | 0.1 | 257 | 0.1 |
| Operating income | 55,718 | 11.9 | 68,369 | 13.8 |
| Other income (expenses), net | (4,476) | | 72 | |
| Interest and dividend income | 1,316 | 0.3 | 1,295 | 0.3 |
| Interest expense | (2,123) | (0.5) | (1,888) | (0.4) |
| Other, net | (3,669) | (0.8) | 665 | 0.1 |
| Income before income taxes and equity in earnings of affiliated companies | 51,242 | 10.9 | 68,441 | 13.8 |
| Income taxes | 17,144 | 3.6 | 11,136 | 2.3 |
| Income before equity in earnings of affiliated companies | 34,098 | 7.3 | 57,305 | 11.6 |
| Equity in earnings of affiliated companies | 230 | 0.0 | 581 | 0.1 |
| Net income | 34,328 | 7.3 | 57,886 | 11.7 |
| Less net income attributable to noncontrolling interests | (2,204) | (0.5) | (2,180) | (0.4) |
| Net income attributable to Komatsu Ltd. | ¥ 32,124 | 6.8 | ¥ 55,706 | 11.3 |
| Net income attributable to Komatsu Ltd. per share (Yen) | | | | |
| Basic | 33.73 | | 57.55 | |
| Diluted | 33.71 | | 57.50 | |

Table of Contents**Consolidated Statements of Comprehensive Income**

Millions of yen

| | First quarter ended June 30, 2012 | First quarter ended June 30, 2011 |
|---|--|--------------------------------------|
| Net income | ¥ 34,328 | ¥ 57,886 |
| Other comprehensive income (loss), for the period, net of tax | | |
| Foreign currency translation adjustments | (38,800) | (10,662) |
| Net unrealized holding gains (losses) on securities available for sale | (4,432) | (2,243) |
| Pension liability adjustments | 564 | (196) |
| Net unrealized holding gains (losses) on derivative instruments | 1,361 | 520 |
| Total | (41,307) | (12,581) |
| Comprehensive income (loss) | (6,979) | 45,305 |
| Comprehensive income (loss) attributable to noncontrolling interests | (568) | 1,743 |
| Comprehensive income (loss) attributable to Komatsu Ltd. | ¥ (6,411) | ¥ 43,562 |

Table of Contents**(3) Consolidated Statements of Equity**

First quarter ended June 30, 2012

Millions of yen

| | Common stock | Capital surplus | Retained earnings | | Accumulated other comprehensive income (loss) | Treasury stock | Total Komatsu Ltd. | | Total equity |
|--|-----------------|--------------------|----------------------|----------------|--|-------------------|------------------------|-----------------------------|--------------|
| | | | for legal reserve | Unappropriated | | | shareholders equity | Noncontrolling interests | |
| Balance at March 31, 2012 | ¥ 67,870 | ¥ 138,384 | ¥ 37,954 | ¥ 951,395 | ¥ (142,389) | ¥ (43,518) | ¥ 1,009,696 | ¥ 47,761 | ¥ 1,057,457 |
| Cash dividends | | | | (20,009) | | | (20,009) | (4,760) | (24,769) |
| Transfer to retained earnings appropriated for legal reserve | | | 296 | (296) | | | | | |
| Other changes | | | | | | | | 34 | 34 |
| Net income | | | | 32,124 | | | 32,124 | 2,204 | 34,328 |
| Other comprehensive income (loss), for the period, net of tax | | | | | | | | | |
| Foreign currency translation adjustments | | | | | (36,162) | | (36,162) | (2,638) | (38,800) |
| Net unrealized holding gains (losses) on securities available for sale | | | | | (4,432) | | (4,432) | | (4,432) |
| Pension liability adjustments | | | | | 559 | | 559 | 5 | 564 |
| Net unrealized holding gains (losses) on derivative instruments | | | | | 1,500 | | 1,500 | (139) | 1,361 |
| Comprehensive income (loss) | | | | | | | (6,411) | (568) | (6,979) |
| Issuance and exercise of stock acquisition rights | | | | | | | | | |
| Purchase of treasury stock | | | | | | (5) | (5) | | (5) |
| Sales of treasury stock | | | | (54) | | 107 | 53 | | 53 |
| Balance at June 30, 2012 | ¥ 67,870 | ¥ 138,384 | ¥ 38,250 | ¥ 963,160 | ¥ (180,924) | ¥ (43,416) | ¥ 983,324 | ¥ 42,467 | ¥ 1,025,791 |

First quarter ended June 30, 2011

Millions of yen

| | Common stock | Capital surplus | Retained earnings | | Accumulated other comprehensive income (loss) | Treasury stock | Total Komatsu Ltd. | | Total equity |
|---|-----------------|--------------------|----------------------|----------------|--|-------------------|------------------------|-----------------------------|--------------|
| | | | for legal reserve | Unappropriated | | | shareholders equity | Noncontrolling interests | |
| Balance at March 31, 2011 | ¥ 67,870 | ¥ 140,523 | ¥ 34,494 | ¥ 847,153 | ¥ (131,059) | ¥ (35,138) | ¥ 923,843 | ¥ 48,837 | ¥ 972,680 |
| Cash dividends | | | | (19,369) | | | (19,369) | (6,063) | (25,432) |
| Transfer to retained earnings appropriated for legal reserve | | | 2,653 | (2,653) | | | | | |
| Other changes | | | | | | | | (3,881) | (3,881) |
| Net income | | | | 55,706 | | | 55,706 | 2,180 | 57,886 |
| Other comprehensive income (loss), for the period, net of | | | | | | | | | |

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| | | | | | | | | | | |
|--|----------|-----------|----------|-----------|-------------|------------|-----------|----------|-----------|----------|
| tax | | | | | | | | | | |
| Foreign currency translation adjustments | | | | | (10,241) | | (10,241) | | (421) | (10,662) |
| Net unrealized holding gains (losses) on securities available for sale | | | | | (2,243) | | (2,243) | | | (2,243) |
| Pension liability adjustments | | | | | (196) | | (196) | | | (196) |
| Net unrealized holding gains (losses) on derivative instruments | | | | | 536 | | 536 | | (16) | 520 |
| Comprehensive income (loss) | | | | | | | 43,562 | | 1,743 | 45,305 |
| Issuance and exercise of stock acquisition rights | | | | | (61) | | (61) | | | (61) |
| Purchase of treasury stock | | | | | | | (216) | | (216) | (216) |
| Sales of treasury stock | | | | | 120 | | 178 | | 298 | 298 |
| Balance at June 30, 2011 | ¥ 67,870 | ¥ 140,582 | ¥ 37,147 | ¥ 880,837 | ¥ (143,203) | ¥ (35,176) | ¥ 948,057 | ¥ 40,636 | ¥ 988,693 | |

Table of Contents**(4) Consolidated Statements of Cash Flows**

Millions of yen

| | First quarter ended June 30, 2012 | First quarter ended June 30, 2011 |
|---|---|---|
| Operating activities | | |
| Net income | ¥ 34,328 | ¥ 57,886 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 21,138 | 20,356 |
| Deferred income taxes | 2,540 | (5,605) |
| Net loss (gain) from sale of investment securities and subsidiaries | 70 | (130) |
| Net loss (gain) on sale of property | (132) | (236) |
| Loss on disposal of fixed assets | 272 | 388 |
| Pension and retirement benefits, net | 359 | (838) |
| Changes in assets and liabilities: | | |
| Decrease (increase) in trade receivables | 47,612 | 5,160 |
| Decrease (increase) in inventories | (33,942) | (57,626) |
| Increase (decrease) in trade payables | (20,090) | (14,083) |
| Increase (decrease) in income taxes payable | (5,868) | (18,466) |
| Other, net | (6,268) | 7,249 |
| Net cash provided by (used in) operating activities | 40,019 | (5,945) |
| Investing activities | | |
| Capital expenditures | (32,382) | (24,067) |
| Proceeds from sale of property | 2,304 | 2,991 |
| Proceeds from sale of available for sale investment securities | 418 | 410 |
| Purchases of available for sale investment securities | (1) | (333) |
| Acquisition of subsidiaries and equity investees, net of cash acquired | 283 | (5,107) |
| Collection of loan receivables | 591 | 213 |
| Disbursement of loan receivables | (206) | (61) |
| Decrease (increase) in time deposits, net | 614 | (504) |
| Net cash provided by (used in) investing activities | (28,379) | (26,458) |
| Financing activities | | |
| Proceeds from long-term debt | 37,480 | 61,355 |
| Repayments on long-term debt | (32,932) | (7,740) |
| Increase (decrease) in short-term debt, net | 19,320 | 20,806 |
| Repayments of capital lease obligations | (2,380) | (17,524) |
| Sale (purchase) of treasury stock, net | 50 | 23 |
| Dividends paid | (20,009) | (19,369) |
| Other, net | (3,244) | (4,925) |
| Net cash provided by (used in) financing activities | (1,715) | 32,626 |
| Effect of exchange rate change on cash and cash equivalents | (3,228) | (1,398) |
| Net increase (decrease) in cash and cash equivalents | 6,697 | (1,175) |

| | | | | |
|--|---|--------|---|--------|
| Cash and cash equivalents, beginning of year | | 83,079 | | 84,224 |
| Cash and cash equivalents, end of period | ¥ | 89,776 | ¥ | 83,049 |

Table of Contents**(5) Note to the Going Concern Assumption**

None

(6) Business Segment Information**1) Information by Operating Segments****(For the first quarter ended June 30, 2012)**

Millions of yen

| | Construction, Mining and Utility Equipment | Industrial Machinery and Others | Subtotal | Corporate & elimination | Total |
|----------------|--|---------------------------------------|----------------|----------------------------|----------------|
| Net sales: | | | | | |
| Customers | 428,921 | 41,027 | 469,948 | | 469,948 |
| Intersegment | 855 | 2,059 | 2,914 | (2,914) | |
| Total | 429,776 | 43,086 | 472,862 | (2,914) | 469,948 |
| Segment profit | 54,202 | 2,376 | 56,578 | (1,314) | 55,264 |

(For the first quarter ended June 30, 2011)

Millions of yen

| | Construction, Mining and Utility Equipment | Industrial Machinery and Others | Subtotal | Corporate & elimination | Total |
|----------------|--|---------------------------------------|----------|----------------------------|---------|
| Net sales: | | | | | |
| Customers | 435,324 | 58,853 | 494,177 | | 494,177 |
| Intersegment | 1,306 | 1,716 | 3,022 | (3,022) | |
| Total | 436,630 | 60,569 | 497,199 | (3,022) | 494,177 |
| Segment profit | 60,886 | 8,844 | 69,730 | (1,618) | 68,112 |

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, recycling equipment, industrial vehicles, other equipment, engines & components, casting products, and logistics

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b) Industrial Machinery and Others

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

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 the first quarter ended June 30, 2012 and 2011)

Millions of yen

| | Japan | Americas | Europe & CIS | China | Asia* & Oceania | Middle East & Africa | Total |
|---------------|---------------|----------------|-----------------|---------------|--------------------|-------------------------|----------------|
| FY2012 | 80,726 | 129,090 | 55,074 | 47,311 | 130,096 | 27,651 | 469,948 |
| FY2011 | 83,931 | 109,062 | 53,646 | 101,904 | 116,033 | 29,601 | 494,177 |

* Excluding Japan and China

(7) Note in Case of a Notable Changes in the Amount of Shareholders' Equity

None

(end)

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For Immediate Release

Komatsu Ltd.

Corporate Communications Dept.

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

Date: July 31, 2012

URL: <http://www.komatsu.com/>**Revision of Projections for the Fiscal Year Ending March 31, 2013****(Consolidated and Non-consolidated)**

Komatsu Ltd. (President & CEO: Kunio Noji) has revised the projection for consolidated results for the first six-month period ending September 30, 2012, and the projections for consolidated and non-consolidated results for the fiscal year ending March 31, 2013, which the Company announced on April 26, 2012.

1. Consolidated (U.S.GAAP)

1) Revision of projections for the first six-month period ending March 31, 2013

Millions of yen except per share amounts

| | Earlier projection | Current projection | Changes | | Results for the first 6-month of FY2011 |
|---|--------------------|--------------------|----------|-----------|---|
| | (A) | (B) | [B-A] | [(B-A)/A] | |
| Net sales | 1,010,000 | 940,000 | (70,000) | (6.9)% | 985,867 |
| Operating income | 142,000 | 111,000 | (31,000) | (21.8)% | 132,949 |
| Income before income taxes and equity in earnings of affiliated companies | 138,000 | 105,000 | (33,000) | (23.9)% | 130,243 |
| Net income attributable to Komatsu Ltd. | 84,000 | 64,000 | (20,000) | (23.8)% | 94,675 |
| Net income attributable to Komatsu Ltd. per share (Yen) | ¥ 88.21 | ¥ 67.20 | | | ¥ 97.82 |

2) Revision of projections for the fiscal year ending March 31, 2013

Millions of yen except per share amounts

| | Earlier projection | Current projection | Changes | | Results for FY 2011 |
|------------------|--------------------|--------------------|-----------|-----------|---------------------|
| | (A) | (B) | [B-A] | [(B-A)/A] | |
| Net sales | 2,100,000 | 1,970,000 | (130,000) | (6.2)% | 1,981,763 |
| Operating income | 315,000 | 262,000 | (53,000) | (16.8)% | 256,343 |
| | 308,000 | 252,000 | (56,000) | (18.2)% | 249,609 |

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| | | | | | | |
|---|---|---------|----------------|---------------|---------|----------|
| Income before income taxes and equity in earnings of affiliated companies | | | | | | |
| Net income attributable to Komatsu Ltd. | | 190,000 | 157,000 | (33,000) | (17.4)% | 167,041 |
| Net income attributable to Komatsu Ltd. per share (Yen) | ¥ | 199.53 | ¥ | 164.86 | | ¥ 173.47 |

Table of Contents**2. Non-Consolidated**

Revision of projections for the fiscal year ending March 31, 2013

Millions of yen except per share amounts

| | Earlier projection (A) | Current projection (B) | Changes | | Results for FY 2011 |
|----------------------------|------------------------------|------------------------------|------------------------------|-----------|------------------------|
| | | | Increase (Decrease) [B-A] | [(B-A)/A] | |
| Net sales | 930,000 | 810,000 | (120,000) | (12.9)% | 851,139 |
| Operating profit | 90,000 | 54,000 | (36,000) | (40.0)% | 55,338 |
| Ordinary profit | 120,000 | 84,000 | (36,000) | (30.0)% | 88,079 |
| Net income | 89,000 | 65,000 | (24,000) | (27.0)% | 92,593 |
| Net income per share (Yen) | ¥ 93.41 | ¥ 68.22 | | | ¥ 96.10 |

<Reasons for the Revision>

[Consolidated]

In the construction, mining and utility equipment business, we have considered the following major risks of demand downturns. The recovery of Chinese demand is slower than initially projected. Indonesian demand for mining equipment is softening mainly against the backdrop of falling prices of thermal coal. In the industrial machinery and others business, we are facing the market conditions, which are more challenging than initially anticipated, of wire saws for use in slicing silicon ingots for the solar cell market. In addition to these market conditions, we have also considered adverse effects of the Japanese yen's appreciation on business results. Accordingly, we have revised our projections of April 26, 2012 concerning sales and profits of consolidated business results for the first six-month period (April 1 – September 30, 2012) of the fiscal year ending March 31, 2013 and for the full fiscal year (April 1, 2012 – March 31, 2013).

Concerning the foreign exchange rates, which are preconditions for our current projections, we have assumed them as follows: USD1=JPY79, EUR1=JPY97 and RMB1=JPY12.5 in the second, third and fourth quarters. Average full-year rates will be as follows: USD1=JPY79, EUR1=JPY99 and RMB1=JPY12.6.

(Ref: USD1=JPY80, EUR1=JPY105 and RMB1=JPY12.8 as announced on April 26, 2012)

[Non-consolidated]

As in the case of consolidated business results, we have considered delaying recovery of demand in China, a risk of lowering demand in Indonesia in the construction, mining and utility equipment business, and adverse effects of the foreign exchange rates on business results. Accordingly, we have revised our projections of April 26, 2012 concerning sales and profits of non-consolidated business results for the fiscal year ending March 31, 2013 (April 1, 2012 – March 31, 2013).

(end)

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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.