



April 21, 2020

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### **Coronavirus (COVID-19) Effects on Komatsu Group's Business (3)**

Komatsu Ltd. (hereafter "Komatsu") has announced "Coronavirus (COVID-19) Effects on Komatsu Group's Business (3)" as attached.

End

# For Immediate Release

Komatsu Ltd.  
Date: April 21, 2020  
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## **Coronavirus (COVID-19) Effects on Komatsu Group's Business (3)**

In compliance with the policies of host governments of countries where we, the Komatsu Group, conduct business, we are making our utmost efforts to prevent COVID-19 from spreading. We place top priority on the health and safety of our customers, local community residents and employees.

In light of the Japanese government's decision of April 16 to apply the state of emergency nationwide, Komatsu Group companies in Japan have thoroughly ensured infection preventive measures based on the requests and guidance of corresponding prefectural 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 limiting the number of workers at the job site after taking infection-preventive measures (fever checks, no use of public transportation, and the avoidance of crowded places, such as locker rooms) before starting work. Komatsu distributors are continuing the supply of products and parts and provision of service, which are needed by customers, after having promoted teleworking and strengthening shift work operations for their employees.

In this release, we revise some information in "Coronavirus (COVID-19) Effects on Komatsu Group's Business (2)" of April 9 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. Please be advised that we have renewed the conditions of halting production at some plants as described in the table below. We are working to minimize the effects on production by means of alternative procurement and inventory reallocation. Concerning the production bases other than those listed below, we comply with the guidelines of concerned governments, implement infection-preventative measures, and operate them under normal conditions.

#### **[Conditions of main production bases by region] (As of April 20, 2020) <sup>\*1</sup>**

<sup>\*1</sup> Bases as affected by halting operations are described below. (**Renewed**)

Regions	Names	Conditions	Notes
Japan	-	-	
Americas	Komatsu do Brasil Ltda.	Halt production. (April 6 – April 21)	

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Europe & CIS	Komatsu Italia Manufacturing S.p.A.	Halt production. (March 26 – <b>May 3</b> )	<b><u>Extended from April 13 (planned before)</u></b>
	Komatsu UK Ltd.	Halt production. (March 30 – <b>May 31</b> )	<b><u>Extended from April 17 (planned before)</u></b>
	Komatsu Germany GmbH Construction Division (Hannover, Germany)	<b><u>Production resumed.</u></b>	<b><u>Resumed on April 14</u></b>
	Komatsu Forest AB	Halt production. (April 13 – May 1)	
	Komatsu Manufacturing Rus, LLC	<b><u>Production resumed.</u></b>	<b><u>Resumed on April 13, before April 30 (planned before)</u></b>
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 – <b>May 3</b> )	<b><u>Extended from April 14 (planned before)</u></b>
Middle East & Africa	-	-	

In the regions under the regulations issued by different governments of the world, we have seen the effects of the pandemic, such as suspension of business by customers. In some countries, however, governments have begun to ease their regulations on construction, mining, agriculture, forestry, logistics and the like, as they are essential businesses to support infrastructure. With respect to sales, our distributors, centering on Japan, the Americas, Europe and Asia, are continuing business through teleworking of their employees. To continuously supply products, parts, and service, they are implementing measures, such as the reassessment of supply routes and promotion of shift work operations for their employees.

## 2. Effects on business results

Consolidated business results for FY2019 (ending March 31, 2020), projected on October 30, 2019<sup>\*2</sup>, include no impact of the coronavirus pandemic. We will disclose any considerable effects as soon as we become aware of them.

<sup>\*2</sup> We did not change this projection when we announced our business results for nine months of FY2019 on January 31, 2020.

(end)