

WE HELP OUR CUSTOMERS **BUILD A BETTER, MORE SUSTAINABLE WORLD.**

Third Quarter 2025 Financial Review

October 29, 2025

CATERPILLAR®

Forward-Looking Statements

Certain statements in this financial review relate to future events and expectations and are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “believe,” “estimate,” “will be,” “will,” “would,” “expect,” “anticipate,” “plan,” “forecast,” “target,” “guide,” “project,” “intend,” “could,” “should” or other similar words or expressions often identify forward-looking statements. All statements other than statements of historical fact are forward-looking statements, including, without limitation, statements regarding our outlook, projections, forecasts or trend descriptions. These statements do not guarantee future performance and speak only as of the date they are made, and we do not undertake to update our forward-looking statements.

Caterpillar’s actual results may differ materially from those described or implied in our forward-looking statements based on a number of factors, including, but not limited to: (i) global and regional economic conditions and economic conditions in the industries we serve; (ii) commodity price changes, material price increases, fluctuations in demand for our products or significant shortages of material; (iii) government monetary or fiscal policies; (iv) political and economic risks, commercial instability and events beyond our control in the countries in which we operate; (v) international trade policies and their impact on demand for our products and our competitive position, including the imposition of new tariffs or changes in existing tariff rates; (vi) our ability to develop, produce and market quality products that meet our customers’ needs; (vii) the impact of the highly competitive environment in which we operate on our sales and pricing; (viii) information technology security threats and computer crime; (ix) inventory management decisions and sourcing practices of our dealers and our OEM customers; (x) a failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures or divestitures; (xi) union disputes or other employee relations issues; (xii) adverse effects of unexpected events; (xiii) disruptions or volatility in global financial markets limiting our sources of liquidity or the liquidity of our customers, dealers and suppliers; (xiv) failure to maintain our credit ratings and potential resulting increases to our cost of borrowing and adverse effects on our cost of funds, liquidity, competitive position and access to capital markets; (xv) our Financial Products segment’s risks associated with the financial services industry; (xvi) changes in interest rates or market liquidity conditions; (xvii) an increase in delinquencies, repossessions or net losses of Cat Financial’s customers; (xviii) currency fluctuations; (xix) our or Cat Financial’s compliance with financial and other restrictive covenants in debt agreements; (xx) increased pension plan funding obligations; (xxi) alleged or actual violations of trade or anti-corruption laws and regulations; (xxii) additional tax expense or exposure, including the impact of U.S. tax reform; (xxiii) significant legal proceedings, claims, lawsuits or government investigations; (xxiv) new regulations or changes in financial services regulations; (xxv) compliance with environmental laws and regulations; (xxvi) catastrophic events, including global pandemics such as the COVID-19 pandemic; and (xxvii) other factors described in more detail in Caterpillar’s Forms 10-Q, 10-K and other filings with the Securities and Exchange Commission.

A reconciliation of non-GAAP financial information can be found in our press release describing third-quarter 2025 financial results which is available on our website at www.caterpillar.com/earnings.

Solid Performance Generated Strong Results

Driven by resilient demand across our three primary segments

SALES AND REVENUES

OF \$17.6 BILLION

ALL-TIME RECORD

FOR A SINGLE QUARTER

BACKLOG

NOW AT \$39.8 BILLION

ALL-TIME RECORD

GENERATED

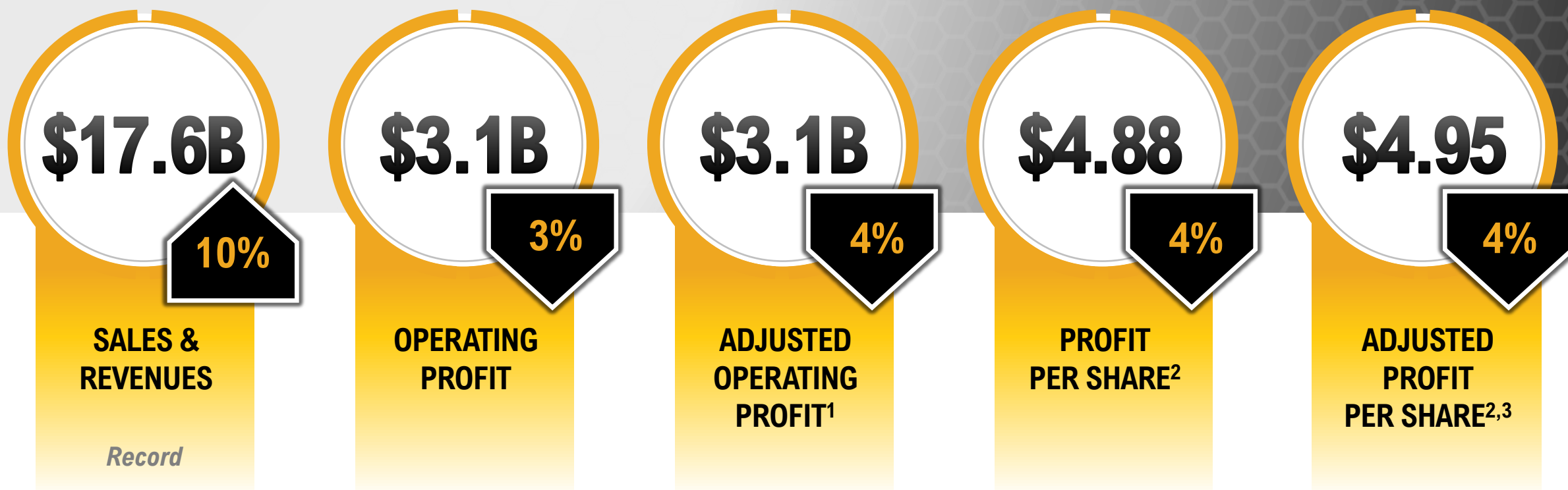
\$3.2 BILLION

OF ME&T FREE CASH FLOW¹

¹ ME&T free cash flow represents ME&T operating cash flow less capital expenditures, excluding discretionary pension contributions. A reconciliation of ME&T net cash provided by operating activities to ME&T free cash flow is included in the appendix.

Key Takeaways

Third Quarter 2025 vs. Third Quarter 2024



¹ Adjusted operating profit is a non-GAAP measure, and a reconciliation to the most directly comparable GAAP measure is included in the appendix.

² Profit per share and adjusted profit per share in the third quarter of 2025 included a reduction of about \$0.18 per share due to a higher estimated global annual effective tax rate of 24.0%, compared to the previous rate of 23.0%.

³ Third-quarter 2025 adjusted profit per share excluded restructuring costs of \$0.07 per share. Third-quarter 2024 adjusted profit per share excluded restructuring costs of \$0.11 per share. A reconciliation to the most comparable GAAP measure is included in the appendix.

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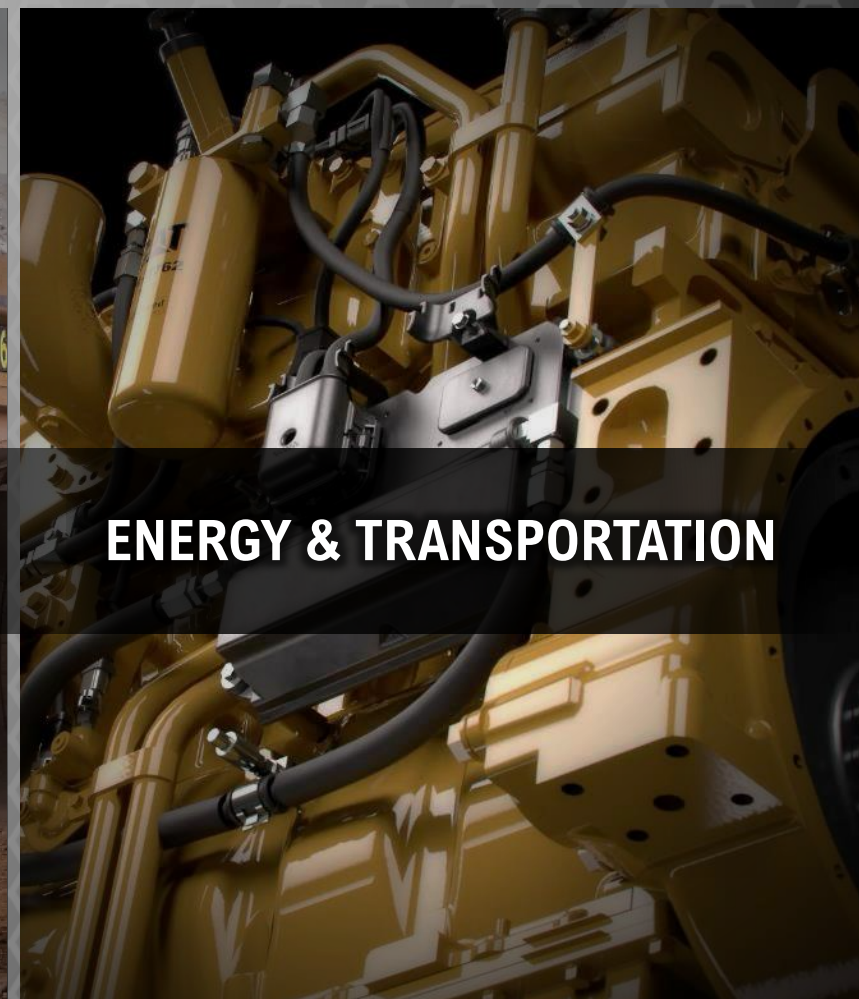
End Market Commentary



CONSTRUCTION INDUSTRIES



RESOURCE INDUSTRIES

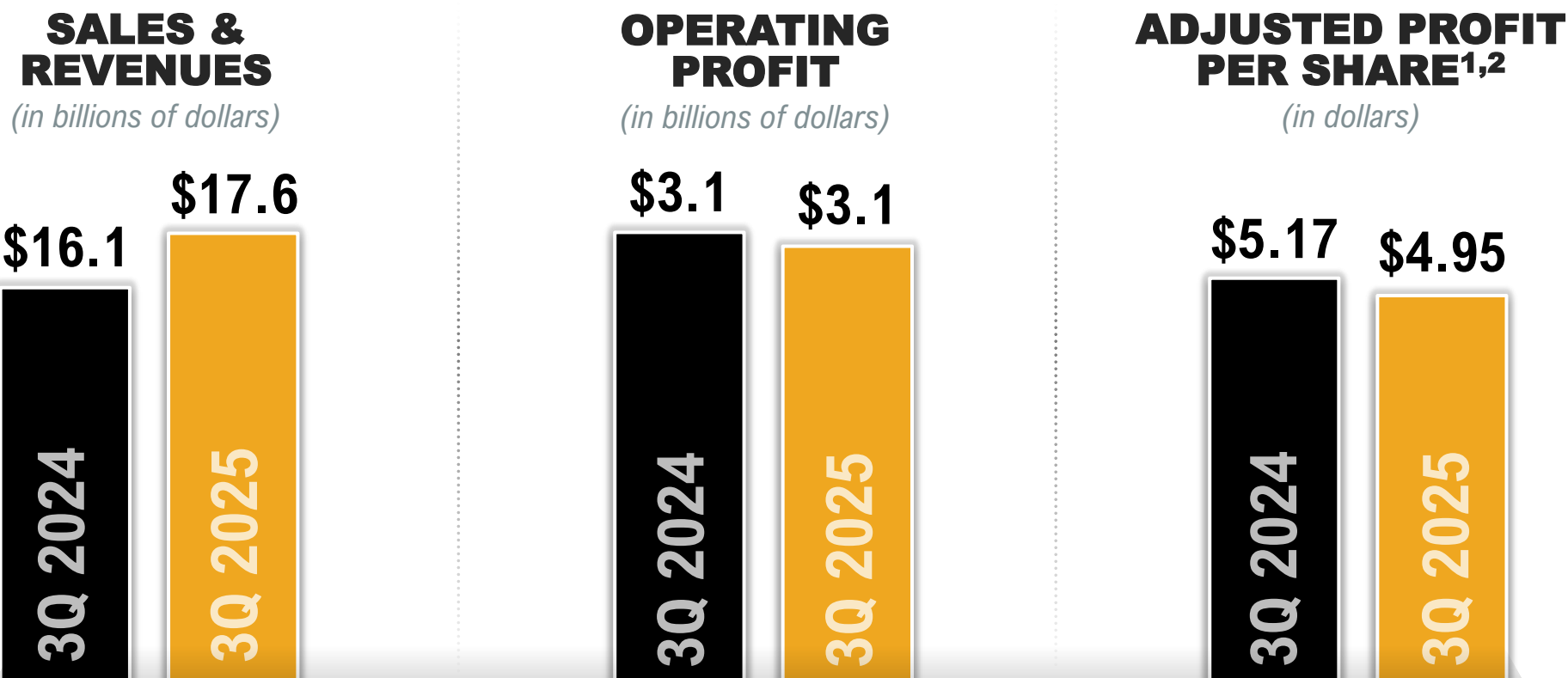


ENERGY & TRANSPORTATION

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Financial Results Summary

Third Quarter 2025 vs. Third Quarter 2024



¹ Third-quarter 2025 adjusted profit per share excluded restructuring costs of \$0.07 per share. Third-quarter 2024 adjusted profit per share excluded restructuring costs of \$0.11 per share. A reconciliation to the most comparable GAAP measure is included in the appendix.

² Adjusted profit per share in the third quarter of 2025 included a reduction of about \$0.18 per share due to a higher estimated global annual effective tax rate of 24.0%, compared to the previous rate of 23.0%.

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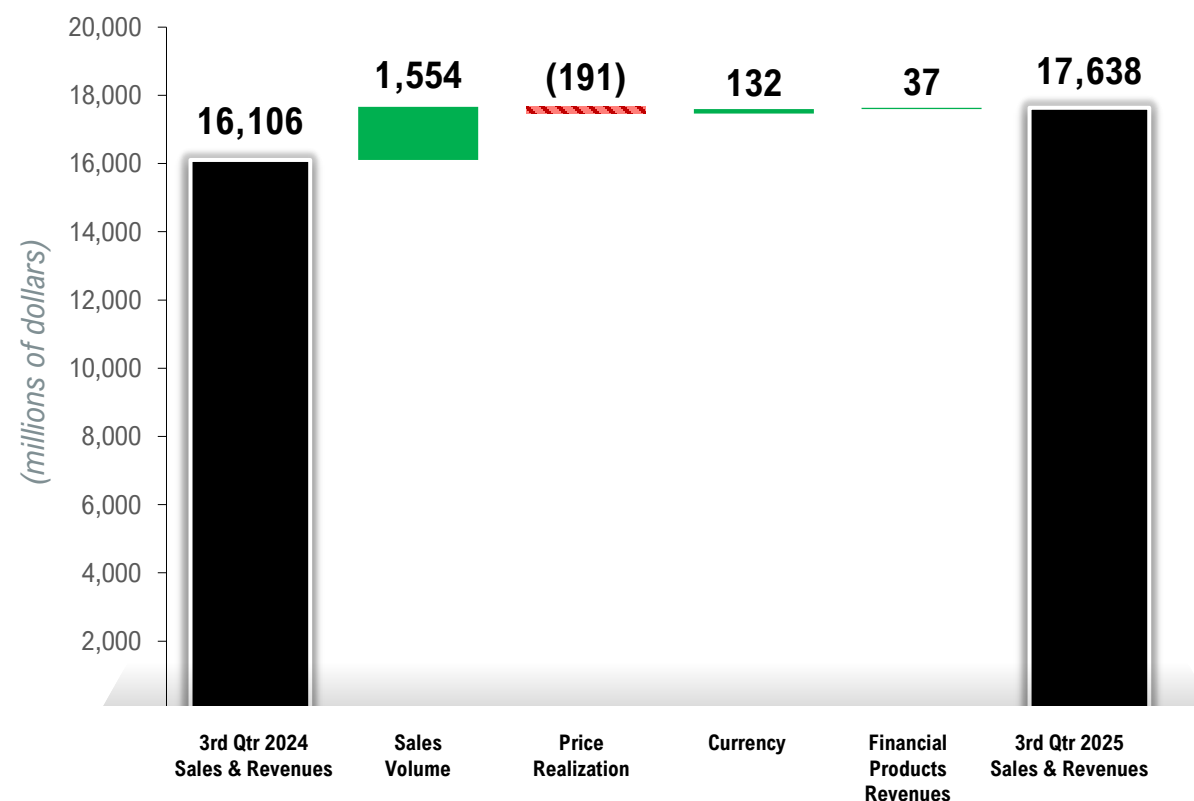
Consolidated Sales and Revenues

Third Quarter 2025 vs. Third Quarter 2024

3RD QUARTER HIGHLIGHTS

Sales & Revenues Increased \$1.532B or 10%

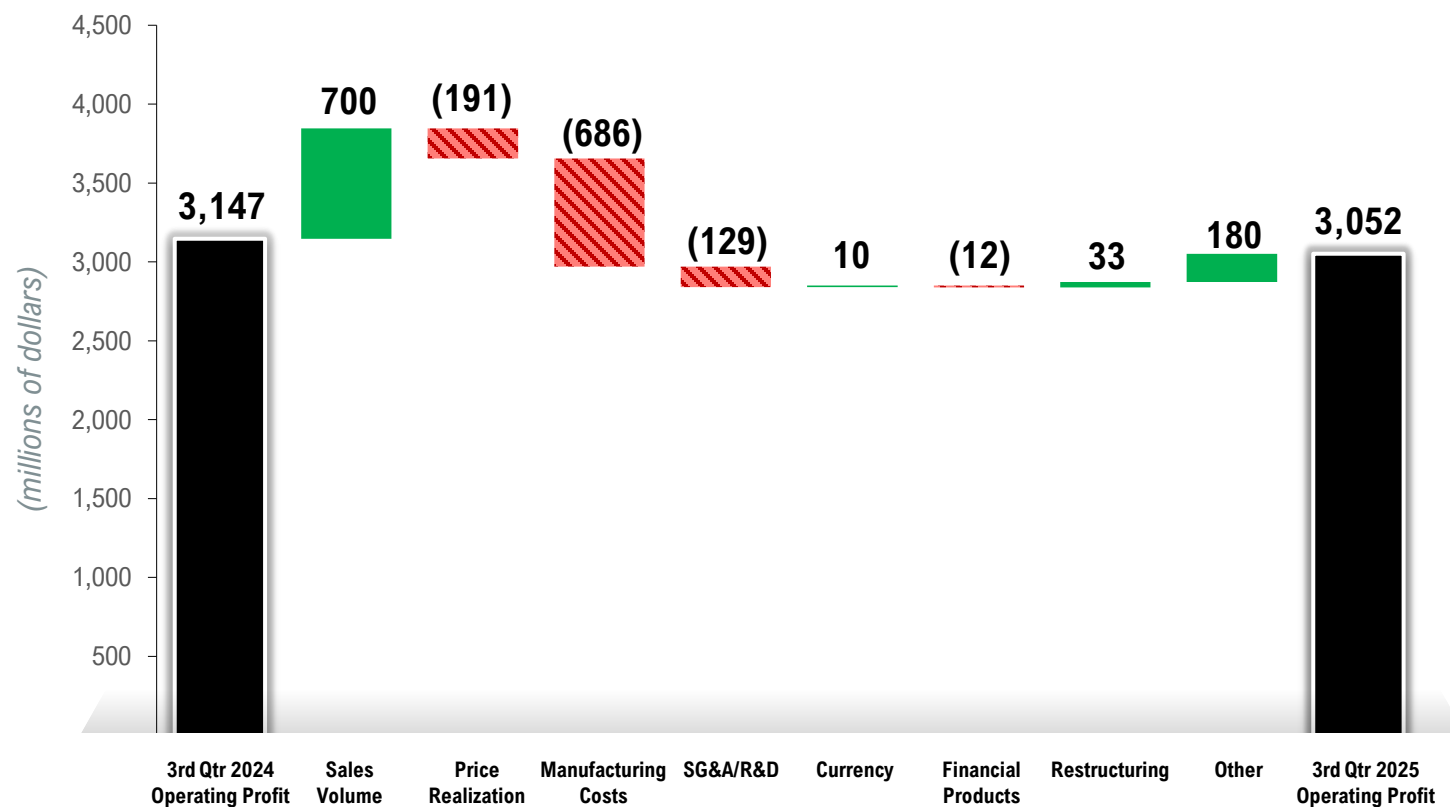
- Higher sales volume
- Higher sales of equipment to end users



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Consolidated Operating Profit

Third Quarter 2025 vs. Third Quarter 2024



3RD QUARTER HIGHLIGHTS

Operating Profit Decreased \$95M or 3%

- Unfavorable manufacturing costs
 - Largely reflected impact of higher tariffs¹
- Unfavorable price realization
- Higher SG&A/R&D expenses
- Profit impact of higher sales volume
- Favorable other operating income/expense
- Lower restructuring costs

Operating Profit Margin of 17.3%

Adjusted Operating Profit Margin² of 17.5%

¹ The net impact from incremental tariffs was near the top end of our estimated range of \$500M to \$600M for the third quarter.

² Adjusted operating profit margin is a non-GAAP measure, and a reconciliation to the most directly comparable GAAP measure is included in the appendix.

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Construction Industries

Third Quarter 2025 vs. Third Quarter 2024

TOTAL SALES*

(in billions of dollars)

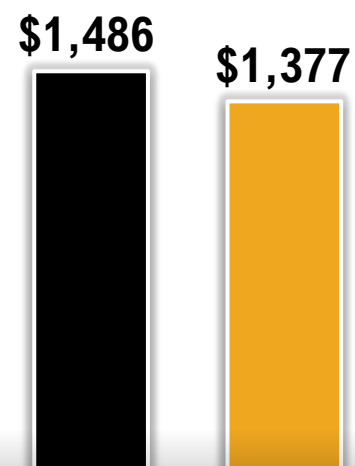


3Q 2024 3Q 2025

* Includes inter-segment sales.

SEGMENT PROFIT

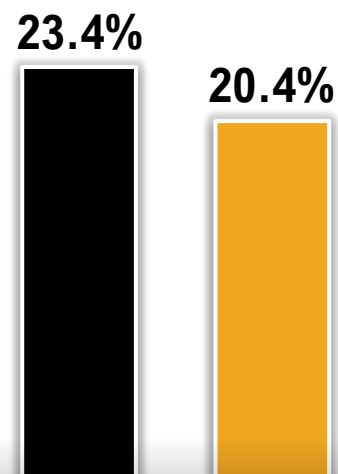
(in millions of dollars)



3Q 2024 3Q 2025

SEGMENT PROFIT

(as a percent of total sales*)



3Q 2024 3Q 2025

3RD QUARTER HIGHLIGHTS

Total Sales Increased \$415M or 7%

- Higher sales volume
- Higher sales of equipment to end users
- Favorable currency impacts
- Unfavorable price realization

Segment Profit Decreased \$109M or 7%

- Unfavorable price realization
- Unfavorable manufacturing costs
 - Largely reflected impact of higher tariffs
- Profit impact of higher sales volume

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Resource Industries

Third Quarter 2025 vs. Third Quarter 2024

TOTAL SALES*

(in billions of dollars)

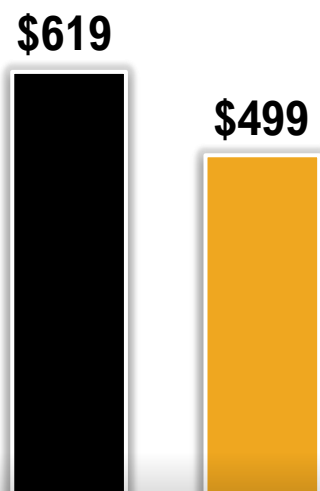


3Q 2024 3Q 2025

* Includes inter-segment sales.

SEGMENT PROFIT

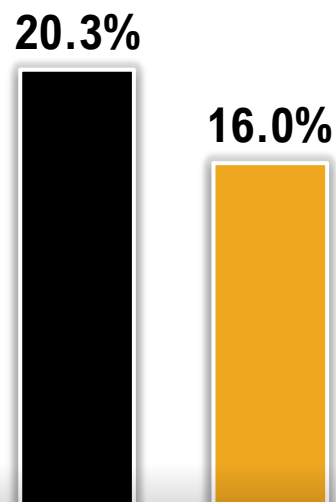
(in millions of dollars)



3Q 2024 3Q 2025

SEGMENT PROFIT

(as a percent of total sales*)



3Q 2024 3Q 2025

3RD QUARTER HIGHLIGHTS

Total Sales Increased \$62M or 2%

- Higher sales volume
- Higher sales of equipment to end users
- Unfavorable price realization

Segment Profit Decreased \$120M or 19%

- Unfavorable manufacturing costs
- Largely reflected impact of higher tariffs
- Unfavorable price realization
- Profit impact of higher sales volume

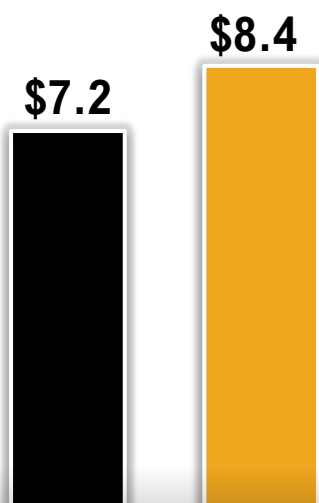
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Energy & Transportation

Third Quarter 2025 vs. Third Quarter 2024

TOTAL SALES*

(in billions of dollars)

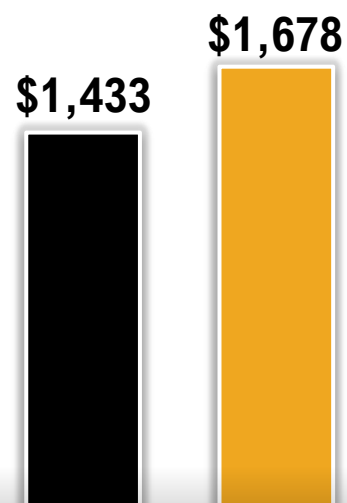


3Q 2024 3Q 2025

* Includes inter-segment sales.

SEGMENT PROFIT

(in millions of dollars)



3Q 2024 3Q 2025

SEGMENT PROFIT

(as a percent of total sales*)



3Q 2024 3Q 2025

3RD QUARTER HIGHLIGHTS

Total Sales Increased \$1.210B or 17%

- Higher sales volume
- Higher inter-segment sales

Segment Profit Increased \$245M or 17%

- Profit impact of higher sales volume
- Favorable price realization
- Unfavorable manufacturing costs
 - Primarily reflected impact of higher tariffs

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Financial Products

Third Quarter 2025 vs. Third Quarter 2024

TOTAL REVENUES*

(in millions of dollars)



3Q 2024 3Q 2025

* Includes inter-segment revenues.

SEGMENT PROFIT

(in millions of dollars)



3Q 2024 3Q 2025

3RD QUARTER HIGHLIGHTS

Total Revenues Increased \$42M or 4%

- Higher average earning assets
- Lower average financing rates

Segment Profit Decreased \$5M or 2%

- Higher provision for credit losses
- Higher SG&A expenses
- Unfavorable impact from equity securities
- Favorable impact from higher average earning assets

ME&T Free Cash Flow¹ and Capital Deployment



\$3.2B

ME&T FREE CASH FLOW¹ 3Q 2025

Approximately \$500M higher
than 3Q 2024

\$1.1B

DEPLOYED TO SHAREHOLDERS IN 3Q 2025

Quarterly dividend payment
of about \$700M

\$7.5B

ENTERPRISE CASH BALANCE

Hold \$1.2B in slightly longer-dated
liquid marketable securities

¹ ME&T free cash flow represents ME&T operating cash flow less capital expenditures, excluding discretionary pension contributions. A reconciliation of ME&T net cash provided by operating activities to ME&T free cash flow is included in the appendix.

Expectations As We Look Ahead – Full Year 2025

- 2025 full-year sales and revenues modestly higher as compared to 2024, a slight improvement versus previous expectations of slightly higher
- 2025 full-year services revenues¹ about flat as compared to 2024
- 2025 net incremental tariffs² around \$1.6B to \$1.75B
- Excluding the net impact of incremental tariffs², 2025 full-year adjusted operating profit margin³ in the top half of the annual target range⁴
- Including the net impact of incremental tariffs², 2025 full-year adjusted operating profit margin³ near the bottom of the annual target range⁴
- 2025 full-year ME&T free cash flow⁵ above the midpoint of the annual target range⁴

¹ ME&T Services Revenues include, but are not limited to, aftermarket parts and other service-related revenues and exclude most Financial Products' revenues, discontinued products and captive dealer services.

² Incremental tariffs announced in 2025 and expected to be in place by November 1, 2025, including some mitigating actions and cost controls.

³ Adjusted operating profit margin is a non-GAAP measure, and a reconciliation to the most directly comparable GAAP measure is included in the appendix.

⁴ Target ranges based on 4Q 2023 Caterpillar earnings call. Caterpillar communicated an adjusted operating profit margin target range relative to the corresponding level of sales and revenues and an ME&T free cash flow target range of \$5B to \$10B annually.

⁵ ME&T free cash flow represents ME&T operating cash flow less capital expenditures, excluding discretionary pension contributions. A reconciliation of ME&T net cash provided by operating activities to ME&T free cash flow is included in the appendix.

Expectations As We Look Ahead – 4Q 2025

- Strong 4Q 2025 sales and revenues growth as compared to 4Q 2024
- 4Q 2025 machine dealer inventory¹ to decline slightly as compared to a \$1.6B decrease in 4Q 2024
- 4Q 2025 net incremental tariffs² of about \$650M to \$800M
- Excluding the net impact of incremental tariffs², higher 4Q 2025 adjusted operating profit margin³ as compared to 4Q 2024
- Including the net impact of incremental tariffs², lower 4Q 2025 adjusted operating profit margin³ as compared to 4Q 2024

¹ Dealers are independent businesses and control their own inventory.

² Incremental tariffs announced in 2025 and expected to be in place by November 1, 2025, including some mitigating actions and cost controls.

³ Adjusted operating profit margin is a non-GAAP measure, and a reconciliation to the most directly comparable GAAP measure is included in the appendix.

2025 Key Takeaways

Remain optimistic about our underlying businesses

ANTICIPATE
MODESTLY HIGHER
2025 FULL-YEAR SALES
INCLUDING STRONG 4Q 2025

EXPECT¹ 2025 FULL-YEAR ADJUSTED
OPERATING PROFIT MARGIN²
**TO REMAIN NEAR
THE BOTTOM**
OF THE TARGET RANGE³

EXPECT¹ 2025 FULL-YEAR
ME&T FREE CASH FLOW⁴
**TO BE ABOVE
THE MIDPOINT**
OF THE TARGET RANGE³

CONTINUE TO EXECUTE OUR STRATEGY FOR LONG-TERM PROFITABLE GROWTH

¹ Expectation includes the net impact of incremental tariffs announced in 2025 and expected to be in place by November 1, 2025, which includes some mitigating actions and cost controls.

² Adjusted operating profit margin is a non-GAAP measure, and a reconciliation to the most directly comparable GAAP measure is included in the appendix.

³ Target ranges based on 4Q 2023 Caterpillar earnings call. Caterpillar communicated an adjusted operating profit margin target range relative to the corresponding level of sales and revenues and an ME&T free cash flow target range of \$5B to \$10B annually.

⁴ ME&T free cash flow represents ME&T operating cash flow less capital expenditures, excluding discretionary pension contributions. A reconciliation of ME&T net cash provided by operating activities to ME&T free cash flow is included in the appendix.

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Q&A

Appendix

2026 Caterpillar Earnings Call Schedule

Earnings Quarter	Release Date	Call Time
4 th Quarter 2025	Thursday, January 29, 2026	8:30 a.m. Eastern
1 st Quarter 2026	Thursday, April 30, 2026	8:30 a.m. Eastern
2 nd Quarter 2026	Tuesday, August 4, 2026	8:30 a.m. Eastern
3 rd Quarter 2026	Thursday, October 29, 2026	8:30 a.m. Eastern

Dealer Inventory¹ Changes

(USD in billions)	Increase/(Decrease)								
	2024					2025			YoY Impact to 3Q Sales ³
	1Q	2Q	3Q	4Q	Full Year ²	1Q	2Q	3Q	
Dealer Inventory¹ of Machines	\$1.1	(\$0.4)	\$0.1	(\$1.6)	(\$0.7)	\$0.0	(\$0.4)	\$0.3	\$0.1
Total Dealer Inventory¹	\$1.4	(\$0.2)	\$0.4	(\$1.3)	\$0.4	\$0.1	\$0.1	\$0.6	\$0.2

¹ Dealers are independent businesses and control their own inventory.

² Quarterly dealer inventory changes will not equal full-year dealer inventory changes due to the impact of rolling price updates in the dealer inventory reporting, which reflect a trailing 12-month price impact. Previously reported dealer inventory figures are not retroactively updated for price.

³ Amounts may not add due to rounding.

Order Backlog

Increased
\$2.4B

3Q 2025
vs. 2Q 2025

Increased
\$2.5B

2Q 2025
vs. 1Q 2025

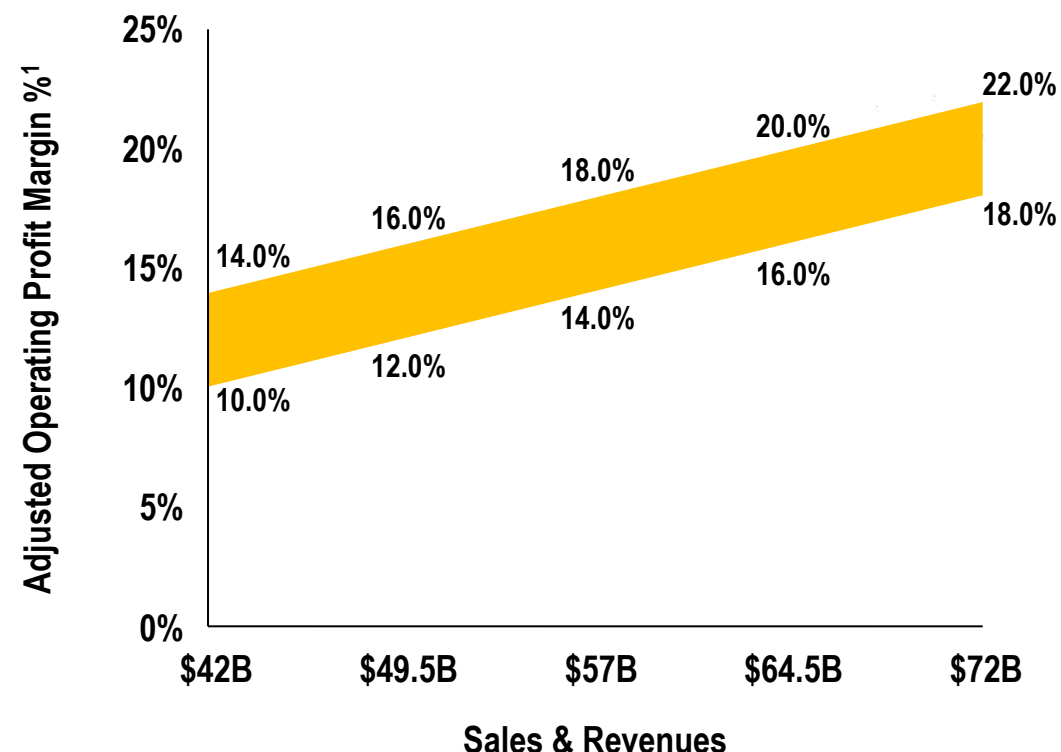
Increased
\$11.2B

3Q 2025
vs. 3Q 2024

Additional Expectations As We Look Ahead – Full Year 2025

- Restructuring costs of approximately \$300M to \$350M in 2025
- Capital expenditures around \$2.5B in 2025
- 2025 global annual effective tax rate of 24.0%

Adjusted Operating Profit Margin¹ Target Range



- Progressive adjusted operating profit margin¹ target range
- Adjusted operating profit margin¹ target range:
 - 10-14% at \$42B of sales and revenues
 - 18-22% at \$72B of sales and revenues

¹ Adjusted operating profit margin is a non-GAAP measure, and a reconciliation to the most directly comparable GAAP measure is included in the appendix.

Non-GAAP Financial Measures

(Dollars in millions except per share data)

	Operating Profit	Operating Profit Margin	Profit Before Taxes	Provision (Benefit) for Income Taxes	Profit	Profit per Share
Three Months Ended September 30, 2025 - U.S. GAAP	\$ 3,052	17.3%	\$ 3,127	\$ 836	\$ 2,300	\$ 4.88
Restructuring (income) costs	37	0.2%	37	9	28	0.07
Three Months Ended September 30, 2025 - Adjusted	<u>\$ 3,089</u>	<u>17.5%</u>	<u>\$ 3,164</u>	<u>\$ 845</u>	<u>\$ 2,328</u>	<u>\$ 4.95</u>
Three Months Ended September 30, 2024 - U.S. GAAP	\$ 3,147	19.5%	\$ 3,098	\$ 642	\$ 2,464	\$ 5.06
Restructuring (income) costs	70	0.5%	70	16	54	0.11
Three Months Ended September 30, 2024 - Adjusted	<u>\$ 3,217</u>	<u>20.0%</u>	<u>\$ 3,168</u>	<u>\$ 658</u>	<u>\$ 2,518</u>	<u>\$ 5.17</u>

Note: Amounts may not add due to rounding.

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Estimated Annual Tax Rate Reconciliation

(Dollars in millions)	Profit Before Taxes	Provision (Benefit) for Income Taxes	Effective Tax Rate
Three Months Ended September 30, 2025 - U.S. GAAP	\$ 3,127	\$ 836	26.7%
Increase in annual effective tax rate	-	(54)	
Changes in estimates related to prior years	-	(41)	
Excess stock-based compensation	-	10	
Annual effective tax rate, excluding discrete items	<u>\$ 3,127</u>	<u>\$ 751</u>	<u>24.0%</u>
Increase in annual effective tax rate	-	54	
Changes in estimates related to prior years	-	41	
Excess stock-based compensation	-	(10)	
Restructuring (income) costs	37	9	
Three Months Ended September 30, 2025 - Adjusted	<u><u>\$ 3,164</u></u>	<u><u>\$ 845</u></u>	
Three Months Ended September 30, 2024 - U.S. GAAP	\$ 3,098	\$ 642	20.7%
Changes in estimates related to prior years	-	47	
Excess stock-based compensation	-	7	
Annual effective tax rate, excluding discrete items	<u>\$ 3,098</u>	<u>\$ 696</u>	<u>22.5%</u>
Changes in estimates related to prior years	-	(47)	
Excess stock-based compensation	-	(7)	
Restructuring (income) costs	70	16	
Three Months Ended September 30, 2024 - Adjusted	<u><u>\$ 3,168</u></u>	<u><u>\$ 658</u></u>	

Note: Amounts may not add due to rounding.

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Reconciliation to U.S. GAAP

Reconciliation of ME&T Cash Flow from Operations to ME&T Free Cash Flow

	3Q 2024	3Q 2025	Sep YTD 2024	Sep YTD 2025
(USD in billions)				
ME&T cash flow from operations	\$ 3.2	\$ 3.9	\$ 7.7	\$ 7.7
ME&T capital expenditures	(0.4)	(0.7)	(1.3)	(1.9)
ME&T free cash flow	\$ 2.7	\$ 3.2	\$ 6.4	\$ 5.8

Note: Amounts may not add due to rounding.

Note: See reconciliation of ME&T cash flow from operations to consolidated net cash provided by operating activities in the Supplemental Data for Statement of Cash Flow contained in our 10-Q filing.

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