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) the duration and geographic spread of, business disruptions caused by, and the overall global economic impact of, 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 2020 financial results which is available on our website at www.caterpillar.com/earnings.
Business Update

Continued focus on services, expanded offerings and operational excellence.

Providing access to products and services our customers need.

Dedicated to the safety, health and well-being of our global team.

Well positioned for changes in market demand.

OUR SOLUTIONS HELP OUR CUSTOMERS BUILD A BETTER WORLD
Financial Results Summary

Third Quarter 2020 vs. Third Quarter 2019

Sales & Revenues
$9.9B
(23%)

Operating Profit Margin
10.0%
(5.8pts)

Profit Per Share
$1.22
(54%)

1 Third-quarter 2020 profit per share included remeasurement losses of $0.12 per share resulting from settlements of pension obligations.
Financial Results Summary

Third Quarter 2020 vs. Second Quarter 2020

<table>
<thead>
<tr>
<th></th>
<th>2Q 2020</th>
<th>3Q 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES &amp; REVENUES</strong></td>
<td>$10.0</td>
<td>$9.9</td>
</tr>
<tr>
<td><strong>OPERATING PROFIT</strong></td>
<td>$784</td>
<td>$985</td>
</tr>
<tr>
<td><strong>PROFIT PER SHARE(^1)</strong></td>
<td>$0.84</td>
<td>$1.22</td>
</tr>
</tbody>
</table>

\(^1\) Second-quarter 2020 and third-quarter 2020 profit per share included remeasurement losses of $0.19 and $0.12 per share, respectively, resulting from settlements of pension obligations.
End Markets by Segment

CONSTRUCTION INDUSTRIES

ENERGY & TRANSPORTATION

RESOURCE INDUSTRIES

OUR SOLUTIONS HELP OUR CUSTOMERS BUILD A BETTER WORLD
## Strong Financial Position

<table>
<thead>
<tr>
<th>Returned to Shareholders in 3Q 2020 Dividends</th>
<th>Enterprise Cash Balance</th>
<th>Dividend Aristocrat</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.6B</td>
<td>$9.3B</td>
<td>For 27 consecutive years, including 2020, Caterpillar has paid higher annual dividends to shareholders</td>
</tr>
<tr>
<td>$2.8B 2020 YTD through dividends and share repurchases</td>
<td>Increased by ~$500M in 3Q</td>
<td></td>
</tr>
</tbody>
</table>
2020 Financial Results

Third Quarter 2020 vs. Third Quarter 2019

SALES & REVENUES
(in billions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$12.8</td>
</tr>
<tr>
<td>2020</td>
<td>$9.9</td>
</tr>
</tbody>
</table>

OPERATING PROFIT
(in millions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$2,020</td>
</tr>
<tr>
<td>2019</td>
<td>$985</td>
</tr>
<tr>
<td>2020</td>
<td>$985</td>
</tr>
</tbody>
</table>

PROFIT PER SHARE
(in dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$2.66</td>
</tr>
<tr>
<td>2020</td>
<td>$1.22</td>
</tr>
</tbody>
</table>

1 Third-quarter 2020 profit per share included remeasurement losses of $0.12 per share resulting from settlements of pension obligations.

OUR SOLUTIONS HELP OUR CUSTOMERS BUILD A BETTER WORLD
Consolidated Sales & Revenues
Third Quarter 2020 vs. Third Quarter 2019

Sales & Revenues Decreased ($2.9B) or (23%)

- Sales volume decreased across the three primary segments and all regions
- Lower end-user demand
- Impact of changes in dealer inventories

3rd Quarter Highlights

Sales & Revenues Decreased ($2.9B) or (23%)

- Sales volume decreased across the three primary segments and all regions
- Lower end-user demand
- Impact of changes in dealer inventories
### Consolidated Operating Profit

**Third Quarter 2020 vs. Third Quarter 2019**

#### 3rd Quarter Highlights

- **Operating Profit Decreased ($1.0B) or (51%)**
  - Decreased sales volume
  - Unfavorable price realization
  - Lower profit from Financial Products
  - Favorable SG&A/R&D expenses

**Operating Profit Margin of 10.0%**
Construction Industries
Third Quarter 2020 vs. Third Quarter 2019

3rd Quarter Highlights

Total Sales Decreased ($1,233M) or (23%)
- North America – Decrease due to lower end-user demand and changes in dealer inventories
- Latin America – Decrease due to changes in dealer inventories and currency
- EAME – Decrease due to lower end-user demand and changes in dealer inventories
- Asia/Pacific – Increase due to changes in dealer inventories, partially offset by unfavorable price realization

Segment Profit Decreased ($355M) or (38%)
- Lower sales volume
- Unfavorable price realization
- Favorable manufacturing costs
- Favorable SG&A/R&D expenses

**Total Sales**
- 2019: $5.3 billion
- 2020: $4.1 billion

**Segment Profit**
- 2019: $940 million
- 2020: $585 million

**Segment Profit as a Percent of Total Sales**
- 2019: 17.8%
- 2020: 14.4%

*Includes inter-segment sales.*
Resource Industries
Third Quarter 2020 vs. Third Quarter 2019

3rd Quarter Highlights

Total Sales Decreased ($494M) or (21%)
- Lower end-user demand, partially offset by impact from changes in dealer inventories

Segment Profit Decreased ($144M) or (46%)
- Lower sales volume
- Unfavorable price realization
- Favorable manufacturing costs
- Favorable SG&A/R&D expenses

<table>
<thead>
<tr>
<th>Total Sales*</th>
<th>Segment Profit</th>
<th>Segment Profit as a percent of total sales*</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in billions of dollars)</td>
<td>(in millions of dollars)</td>
<td>as a percent of total sales*</td>
</tr>
<tr>
<td>$2.3</td>
<td>$1.8</td>
<td>$311</td>
</tr>
</tbody>
</table>

* Includes inter-segment sales.
Total Sales Decreased ($1,291M) or (24%)
- **Oil and Gas** – Lower demand in North America for reciprocating engines and engine aftermarket parts as well as turbines and turbine-related services
- **Power Generation** – Lower sales volume for engine aftermarket parts, small reciprocating engine applications
- **Industrial** – Lower sales in all regions
- **Transportation** – Sales declined in both rail and marine applications

Segment Profit Decreased ($529M) or (52%)
- Lower sales volume
- Favorable SG&A/R&D and period manufacturing costs
- Unfavorable other operating income/expense

### 3rd Quarter Highlights

<table>
<thead>
<tr>
<th>Total Sales* (in billions of dollars)</th>
<th>Segment Profit (in millions of dollars)</th>
<th>Segment Profit as a percent of total sales*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019: $5.5</td>
<td>2019: $1,021</td>
<td>2019: $492</td>
</tr>
</tbody>
</table>

* Includes inter-segment sales.
Financial Products

Third Quarter 2020 vs. Third Quarter 2019

Total Revenues Decreased ($141M) or (16%)
- Lower average financing rates
- Lower average earning assets

Segment Profit Decreased ($76M) or (35%)
- Higher provision for credit losses
- Lower net yield on average earning assets
- Lower average earning assets
- Favorable SG&A expenses

3rd Quarter Highlights

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues* (in millions of dollars)</td>
<td>$865</td>
<td>$724</td>
</tr>
<tr>
<td>Segment Profit (in millions of dollars)</td>
<td>$218</td>
<td>$142</td>
</tr>
</tbody>
</table>

* Includes inter-segment revenues.
ME&T Free Cash Flow

~$900M
3Q 2020

Down ~$200M
versus 3Q 2019

Up ~$400M
versus 2Q 2020

ME&T free cash flow represents ME&T operating cash flow less capital expenditures, excluding discretionary pension contributions.
4Q 2020 Key Thoughts

We expect:

• Less of a decline in end-user demand than in 3Q
• Normal seasonality in sales versus the third quarter
• Dealers to reduce inventory levels by ~$700M in 4Q, ~$2.5B full year
• About $100M of restructuring expense in 4Q, ~$400M full year
• Operating margins to improve versus the third quarter
## Strong Financial Position

<table>
<thead>
<tr>
<th>Returned to Shareholders in 3Q 2020 Dividends</th>
<th>Enterprise Cash Balance</th>
<th>Available Liquidity Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.6B</td>
<td>$9.3B</td>
<td>Over $14B</td>
</tr>
<tr>
<td>$2.8B 2020 YTD through dividends and share repurchases</td>
<td>Increased by ~$500M in 3Q</td>
<td>Including revolver and commercial paper support programs</td>
</tr>
</tbody>
</table>
Key Takeaways

**Sequential improvement** in 3Q operating margin

Returned **$2.8B** to shareholders **YTD** through dividends and share repurchases

Strong financial position; **$9.3B** enterprise cash and access to **over $14B** of liquidity

We continue to **invest** for long-term **profitable growth** and remain **agile** and prepared for changes in demand
Q&A
## Preliminary 2021 Caterpillar Earnings Call Schedule

<table>
<thead>
<tr>
<th>Earnings Quarter</th>
<th>Release Date</th>
<th>Call Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt; Quarter 2020</td>
<td>Friday, January 29, 2021</td>
<td>8:30 a.m. Eastern</td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; Quarter 2021</td>
<td>Thursday, April 29, 2021</td>
<td>8:30 a.m. Eastern</td>
</tr>
<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt; Quarter 2021</td>
<td>Friday, July 30, 2021</td>
<td>8:30 a.m. Eastern</td>
</tr>
<tr>
<td>3&lt;sup&gt;rd&lt;/sup&gt; Quarter 2021</td>
<td>Thursday, October 28, 2021</td>
<td>8:30 a.m. Eastern</td>
</tr>
</tbody>
</table>
## Dealer Inventory and Order Backlog

### Dealer Inventories*

<table>
<thead>
<tr>
<th>Change</th>
<th>3Q 2020</th>
<th>3Q 2019</th>
<th>Impact on Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreased</td>
<td>$600M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased</td>
<td>$500M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Dealers are independent businesses and control their own inventory

### Order Backlog

<table>
<thead>
<tr>
<th>Change</th>
<th>3Q 2020 vs. 2Q 2020</th>
<th>2Q 2020 vs. 1Q 2020</th>
<th>3Q 2020 vs. 3Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreased</td>
<td>$1.2B</td>
<td>$1.2B</td>
<td>$200M</td>
</tr>
<tr>
<td>Decreased</td>
<td>$400M</td>
<td>$1.2B</td>
<td>$200M</td>
</tr>
</tbody>
</table>

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