

Wells Fargo Industrials Conference

May 11, 2016

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Forward-Looking Statements

Forward-looking Statements

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Our first quarter financial results contain a reconciliation of Non-GAAP financial information referenced in this presentation which can be found on our website at www.caterpillar.com/earnings.

Discussion

- **1st Quarter 2016 Results / 2016 Outlook** Amy Campbell
- **Energy & Transportation Update** Jim Umpleby
- **Q&A**

Q1 2016 vs Q1 2015 Financial Results

Q1 2016 Sales and Revenues and Profit Per Share excluding restructuring costs were lower than Q1 2015, but were about as expected

	1st Quarter		
	2015	2016	Change
Sales and Revenues (billions)	$12.7	$9.5	$(3.2)
Profit Per Share	$2.03	$0.46	$(1.57)
Restructuring Costs (millions)	$35	$161	$126
Profit Per Share Excluding Restructuring Costs	$2.07	$0.67	$(1.40)

Sales and Revenues Change

- $(1.6) billion Energy & Transportation
- $(1.0) billion Construction Industries
- $(0.5) billion Resource Industries

Primary Drivers of Profit Change

- Sales volume unfavorable $1.3 billion
- Price realization unfavorable $234 million
- Other income/expense unfavorable $194 million *(absence of $120 million gain from Q1 2015 related to logistics business sale and negative currency translation)*
- Restructuring costs unfavorable $126 million
- Period & variable costs favorable $474 million

Full-Year Outlook for 2016#

	Previous Outlook	Current Outlook
Sales and Revenues	$40 to $44 Billion	$40 to $42 Billion
At the Midpoint of the Sales and Revenues Range		
Profit Per Share	$3.50	$3.00
Restructuring Costs (millions)	$400	$550
Profit Per Share Excluding Restructuring Costs	$4.00	$3.70

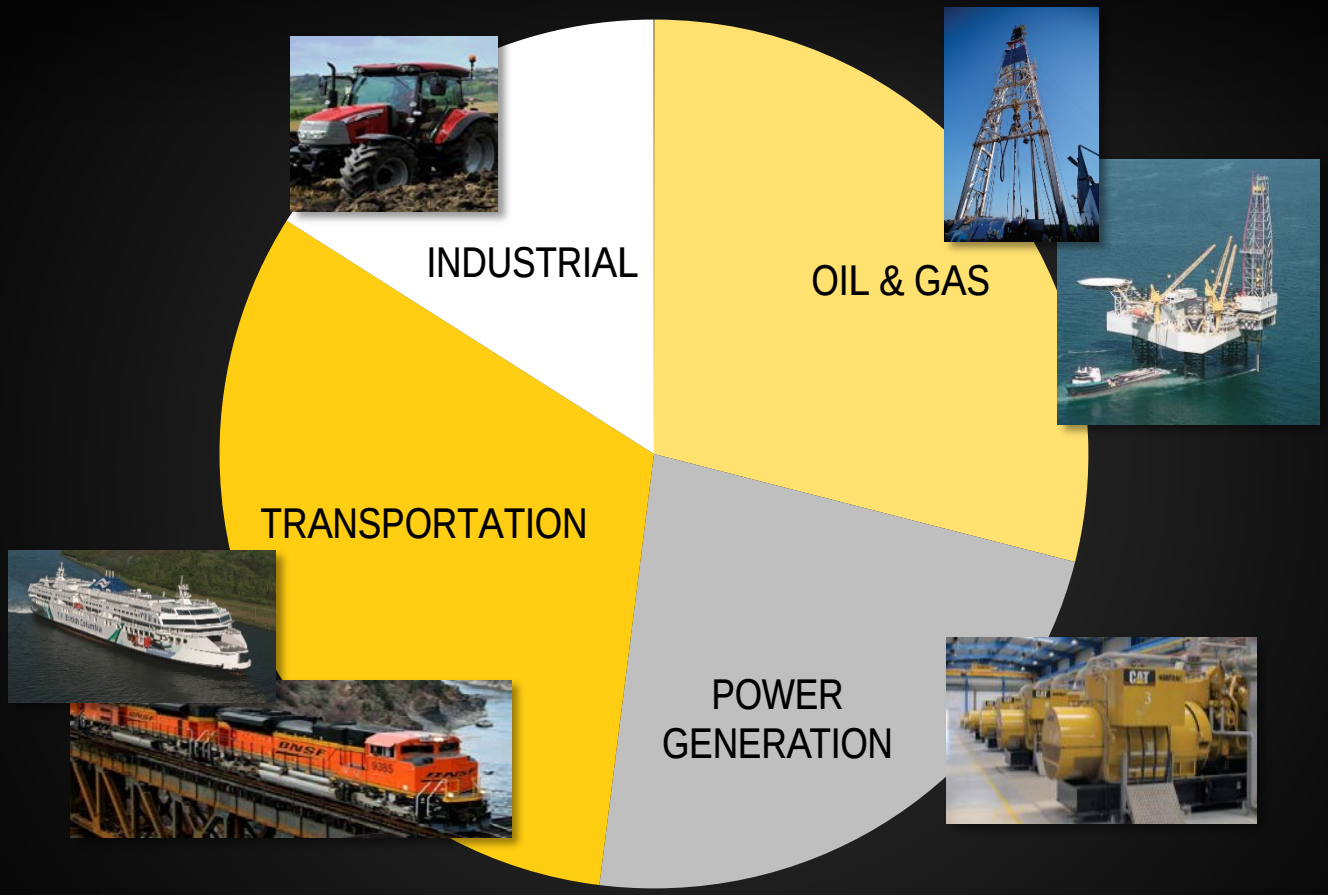
Profit decline primarily driven by lower sales

Outlook as of April 22, 2016

Key Takeaways from Q1 2016 Financial Release

- **Not much change to our expectations for 2016 sales**
- **Good operational performance continues**
- **Strong balance sheet and Cat Financial well managed**
- **Focused on the future and Digital Strategy**

Energy & Transportation: 2015 Sales











OIL & GAS

SOLUTIONS PROVIDER

- Reciprocating Engines
- Pumps & Transmissions
- Gas Turbines & Compressors

APPLICATIONS

- Offshore & Land Drilling
- Well Service
- Production
- Gas Compression

CAT

Solar® Turbines
A Caterpillar Company



POWER GENERATION

SOLUTIONS PROVIDER

- Generator Sets (10kW – 22 MW)
- Reciprocating Engines
- Gas Turbines

DIESEL & GAS

- Data Centers
- Telecommunications
- Hospitals
- Universities

MWM Energy. Efficiency. Environment.

CAT

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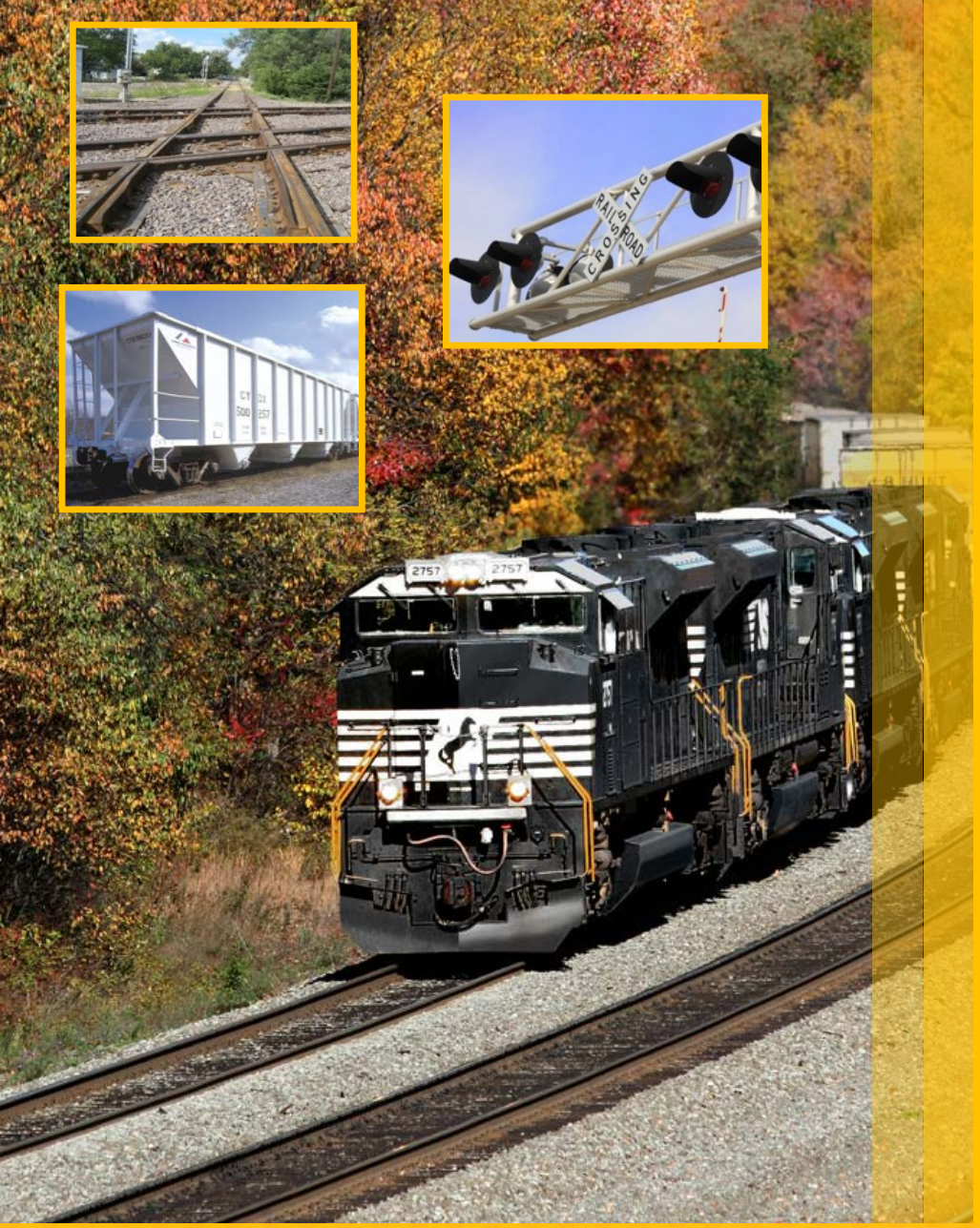
MARINE

SOLUTIONS PROVIDER

- Marine Engines
- Marine Auxiliary Units
- Cat Propulsion Systems (Berg)

APPLICATIONS

- Cargo
- Cruise and Ferry
- High Performance
- Commercial Workboat



RAIL

SOLUTIONS PROVIDER

- Freight and Transit Locomotives
- Freight Car, Signal and Track Services

PROGRESS RAIL SERVICES
A Caterpillar Company

ELECTRO-MOTIVE



INDUSTRIAL ENGINES

- Power Generation
- Agriculture
- Material Handling
- Construction

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ENERGY & TRANSPORTATION

Power Generation



Industrial



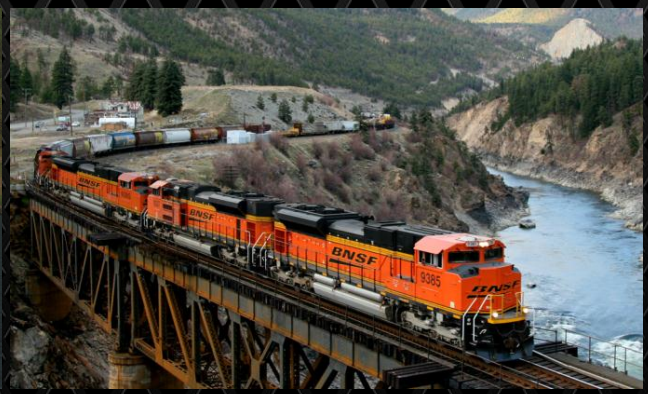




Oil & Gas



Marine



Rail



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