Caterpillar Ecosystem

Caterpillar Inc.
510 Lake Cook Road, Suite 100
Deerfield, Illinois 60015
Phone: (224) 551-4000; www.caterpillar.com

Outside Relationships

Regulators | *Capital* | *Suppliers* | *Customers*

Insurance Regulation
- Subjects of Regulation
- Licensing
- Minimum Solvency Requirements

Key Regulators
- Missouri Department of Insurance
- Bermuda Monetary Authority

Subjects of Business Regulation
- Data Protection
- Environmental Protection
- Anti-Corruption
- Tax
- Import/Export
- Intellectual Property
- Labor and Employment
- Antitrust

Corporate Procurement Supplies
- Filters and Fluids
- Construction Equipment Parts (Undercarriage)
- Pivot Equipment Parts (Undercarriage)
- Ground Engaging Tools
- Fluid Transfer Products
- Precision Seals
- Rubber Sealing and Connecting Components

Labor Unions
- United Automobile and Aerospace and Agricultural Implement Workers of America (UAW)
- United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW)
- International Association of Machinists and Aerospace Workers (IAM)

Customer Industries
- Infrastructure
- Forestry
- Quarry & Aggregates (Sand, Gravel, Clay, Dimensional and Crushed Stone, Slag, Topsoil & Ballast)
- Mining
- Building Construction (Heavy & General)

Worldwide Network of Independent Dealers & Distributors

Public Debt Holders → Bond Financing
Commercial Banks → Working Capital Financing
Insurance Regulation
Supply of Filters, Fluids, Sealants, Undercarriage and Tools
Business Regulation
Union Representation and Collective Bargaining Negotiations
Wholesale Sales of Caterpillar-Branded and SEM-Branded Construction Machinery, Equipment and Vehicles
Sales and Rentals of Construction Machinery, Equipment and Vehicles

Caterpillar Inc., a Delaware Corporation

Debt Structure

Debt ($31.447B @ 12/31/19) — Credit Ratings (Long-term Debt): A3 (Moody's); A (S&P); A (Fitch)

- Global Credit Facilities (Undrawn) 3-year: $2.73B 5-year: $4.62B
- Commercial Paper Program: $4.17B Other Short-Term Debt: $1B
- Notes and Debentures Due 2020-29 Rates: 2.6 - 9.375% Amounts: $3,636B
- Debentures Due 2030-39 Rates: 5.3 - 8.25% Amounts: $980M
- Notes and Debentures Due 2040-97 Rates: 3.25 - 7.375% Amounts: $4,397B
- Financial Lease and Other Obligations Amounts: $549M
- Caterpillar Financial Services (NYSE: CAT/24) Medium-Term Notes, Series H, 3.30% Notes Due 2024; Amount: $16.719B

Equity Structure

Equity
- Common Stock Authorized: 2 billion Shares Outstanding: 814,894,624 Recordholders: 25,985
- 2018 Share Repurchase Plan Authorized: $10 Billion Expiration: None Remaining Authority: $6 Billion

Governance

Board of Directors

Kelly A. Ayotte (G)	William A. Osborn (A)	D. James Umpleby III (Chairman)	Committees: Audit (A), Compensation and Human Resources (C), Public Policy and Governance (G)
David L. Calhoun (G)	Debra L. Reed-Klages (C)		
Daniel M. Dickinson (A)	Edward B. Rust, Jr. (A)	Miles D. White (C)	
Juan Gallardo (G)	Susan C. Schwab (G)	Rayford Wilkins, Jr. (C)	

Management Team

D. James Umpleby III CEO	Anthony Fassino (1/1/2021) Group President, Construction Industries	Denise C. Johnson Group President, Resource Industries
Andrew R.J. Bonfield CFO	Bob De Lange Group President, Services, Distribution & Digital	Joseph Creed (1/1/2021) Group President, Energy & Transportation
Suzette Long CLO, General Counsel and Corporate Secretary	Cheryl H. Johnson Chief HR Officer	

Finance and Accounting

Financial Services
- Accounting
- Business Economics
- Real Estate and Facilities
- O & E Model Governance
- Competitive Analysis
- Enterprise Finance
- Indirect Procurement

Financial Products
- CAT Financial Insurance Services
- CAT Financial Services

Global Information Services
- IT Systems
- Cybersecurity
- IT Transformation

Human Resources
- Talent Acquisition and Management
- Learning and Development
- Diversity and Inclusion
- Compensation and Benefits
- Shared Services
- Employee and Labor Relations

Services, Distribution & Digital

Services: Product Support and Logistics
- Business Strategy
- Product Management, Development, and Support
- Manufacturing and Sourcing

Distribution
- Regional Distribution (Americas, Asia Pacific, Europe, Middle East, Africa)
- Parts Distribution
- Integrated Logistics Solutions
- Dealer Development and Administration
- Dealer Portfolio Management
- Efficient Distribution of Machines, Engines and Parts

Digital Investments
- New Customer and Dealer Solutions
- Data Analytics
- Digital Technologies for Customer Experience

Corporate Matters

Legal

Law, Security and Public Policy
- Global Legal Services
- Compliance
- Global Trade
- Global Security

Global Government and Corporate Affairs
- Federal and State Government Affairs and Lobbying
- International Government and Public Affairs
- Corporate Communications
- Philanthropy
- Sustainability
- Enterprise Reputation

Operations

Machinery, Energy & Transportation

Construction Industries (2019 Revenue: $22.6 billion)

Supports customers using CAT and SEM-branded machinery in Infrastructure, Forestry, and Building Construction

Facilities
- U.S. Arkansas, Georgia, Illinois, Kansas, Minnesota, North Carolina, and Texas
- Brazil and Mexico (2)
- Asia Pacific (5)
- EMEA (5)

Products
- Asphalt Pavers
- Backhoe Loaders
- Compactors
- Cold Planers
- Compact Track and Multi-Terrain Loaders
- Mini, Small, Medium, Large Excavators
- Forestry Excavators
- Feller Bunchers
- Harvesters
- Knuckleboom Loaders
- Motorgraders
- Pipelayers
- Road Reclaimers
- Site Prep Tractors
- Skidders
- Skid Steer Loaders
- Telehandlers
- Small and Medium Track-Type Tractors
- Track-Type Loaders
- Wheel Excavators
- Compact, Small and Medium Wheel Loaders
- Utility Vehicles

Competitors

Global Competitors
- Deere Construction & Forestry
- Doosan Infracore
- Komatsu
- Volvo Construction Equipment
- Hyundai Construction Equipment
- Kobelco Construction Machinery
- Hitachi Construction Machinery

Regional Competitors
- Guangxi LiuGong Machinery
- Longking Holdings
- Shantui Construction Machinery
- Sany Heavy Industries
- XCMG Group
- Shandong Lingong Construction Machinery

Resource Industries (2019 Revenue: $10.3 billion)

Supports Customers in Mining, Heavy Construction, Quarry and Aggregates, Waste and Material Handling Applications

Facilities
- U.S. Illinois, South Carolina, Tennessee, Texas, and Wisconsin
- Mexico (1)
- Asia Pacific (5)
- Europe (3)

Products
- Electric Rope Shovels
- Draglines
- Hydraulic Shovels
- Rotary Drills
- Hard Rock Vehicles
- Large Mining Trucks
- Large Track-type Tractors
- Longwall Miners
- Large Wheel Loaders
- Select Work Tools
- Off-Highway Trucks
- Articulated Trucks
- Wheel Tractor Scrapers
- Wheel Dozers
- Landfill Compactors
- Soil Compactors
- Machinery Components
- Autonomous-Ready Vehicles and Solutions
- Hard Rock Continuous Mining System

Competitors

Surface Competitors
- Deere Construction & Forestry
- Epiroc
- Hitachi Construction Machinery
- Volvo Construction Equipment
- Sandvik
- Liebherr-International
- Komatsu

Underground Competitors
- Epiroc
- Sandvik
- Zhangzhou Coal Mining Machinery Group
- Komatsu

Energy & Transportation (2019 Revenue: $22.1 billion)

Supports Customers in Oil and Gas, Power Generation, Marine, Rail, and Industrial Applications, including CAT® Machines

Facilities
- U.S. Alabama, California, Georgia, Illinois, Indiana, Kentucky, Oklahoma, North Carolina, and Texas
- Brazil and Mexico (2)
- Asia Pacific (4)
- Europe (5)

Products
- Reciprocating Engine Power Generator Sets
- Reciprocating Engines Supplied to the Industrial Industry and Caterpillar Machinery
- Integrated Systems Used in the Electrical Power Generation Industry
- Turbines, Centrifugal Gas Compressors and Related Services
- Reciprocating Engines and Integrated Systems and Solutions for the Marine and Oil & Gas Industries
- Remanufactured Reciprocating Engines and Components
- Diesel-Electric Locomotives and Components and Other Rail-Related Products and Services

Competitors

Global Competitors
- Cummins
- INNIO
- Fiat Industrial
- Kawasaki Heavy Industries Energy System & Plant Engineering
- Siemens Power and GAs
- Weichai Power
- Deutz
- Rolls-Royce Power Systems
- Wärtsilä
- GE Power
- MAN Energy Solutions
- Mitsubishi Heavy Industries
- Volvo Penta

Packagers
- Aggreko
- Generac Holdings
- Baker Hughes
- Kohler Power Systems

Rail
- Bombardier Transportation
- Alstom
- CRRC
- Greenbrier Companies
- Siemens Mobility
- Voesalpine
- Vossloh
- Wabtec Freight

Financial Products

Financial Products (2019 Revenue: $2.235billion)

Provides wholesale and retail financing, leasing services, and insurance products primarily for its dealers and customers.

Facilities
- Caterpillar Financial Services Corporation 2120 West End Ave. Nashville, TN 37203
- Caterpillar Insurance 2120 West End Ave. Nashville, TN 37203

CAT Financial

CAT Financial provides retail and wholesale financing of Caterpillar equipment, machines, and engines and vehicles, power generation facilities and marine vessels that incorporate Caterpillar products

Insurance Services

Insurance Services provides direct protection for claims under policies (and brokerage services for third party policies) under various risk categories associated with Caterpillar's dealers' and customers' businesses

Products
- Extended Service Contracts. Contractual liability for extended service contracts (parts and labor) offered by Caterpillar, third party dealers and OEMs
- Cargo. Cargo insurance for the worldwide cargo risks
- Equipment Physical Damage. Contractors' Equipment Physical Damage Insurance for equipment manufactured by Caterpillar or OEMs, which is leased, rented or sold by third party dealers
- Liability. General liability, employer's liability, auto liability and property insurance for Caterpillar
- Medical Claims. Retiree Medical Stop Loss Insurance for medical claims under the VEBA
- Brokerage Services. Brokerage services for property and casualty and life and health insurance

Competitors

Financial
- Banc of America Leasing & Capital
- BNP Paribas Leasing Solutions
- Australia and New Zealand Banking Group Limited
- John Deere Capital Corporation
- Kubota Credit Corporation
- Komatsu Financial
- Wells Fargo Equipment Finance
- Volvo Financial Services

Sale of Accounts Receivable
Extended Service Contractual Liability Insurance (Parts and Labor)
General, Employers', and Auto Liability and Property Insurance

Supplies of Vehicle Components, Control Systems, and Metals, Energy, Plastics, and Resins
Wholesale Sales of Mining and Heavy Construction Machinery, Equipment, and Vehicles
Direct Sales of Mining and Heavy Construction Machinery, Equipment, and Vehicles
Technology Products and Services for Fleet Management, Equipment Management Analytics & Autonomous Machine Capabilities
Wholesale Sales of Energy and Transportation Equipment
Direct Sales of Turbines and Locomotives
Interest Rates, Commodity Prices, and Foreign Currency Hedging Services

Worldwide Network of Independent Dealers & Distributors
Sales & Rentals of Mining and Heavy Construction Machinery, Equipment & Vehicle

Customer Industries
- Heavy Construction
- Quarry & Aggregates
- Waste & Material Handling
- Surface & Underground Mining (Extraction & Hauling of Copper, Iron Ore, Coal, Oil Sands, Aggregates, Gold, & Other Minerals and Ores)

Worldwide Network of Independent Dealers & Distributors
Sales & Rentals

Customer Industries
- Power Generation
- Railroads
- Marine
- Oil and Gas
- Industrial

Component Suppliers
- Borg-Warner (Turbo Chargers)
- Yokohama Tire (Off-the-Road Tires)
- Bridgestone (Tires)
- T-CCI (Compressor Technology)
- Birmingham Stopper (Metal Work)
- Dayco (Suzho) (Drive Systems and Other Vehicle Components)
- East Penn (Lead-Acid Batteries)
- Dow (Performance Plastics, Coatings, Resins, and Specialty Materials)
- Emerson Electric (Industrial Automation, Electronics, HVAC, and Telecommunications Equipment)
- Alcoa (Aluminum)
- Arcelormittal (Steel)
- Nucor (Steel)
- Johnson Controls (Power Solutions and Control Systems)
- CSX (Rail Transportation)
- Cummins (Engines and Filtration Systems)
- Eastman Chemical (Adhesives and Plasticizers)
- Eaton (Fluid Power Solutions)
- Tesla (Battery Solutions)

Financial Institutions

Outside Relationships

Customers | *Suppliers* | *Capital* | *Regulators*

Securities Regulation and NYSE Listing Rules
Common Stock Repurchases
Equity Capital
Professional Services
Financial Regulation
Wholesale Financing of CAT Dealers
Retail Equipment Installment Sales and Leases Under CAT Financial Program
Extended Service Contractual Liability Insurance (Parts and Labor)
Cargo Insurance
Equipment Physical Damage Insurance
Retiree Medical Stop Loss Insurance
Property and Casualty Insurance Brokerage Services
Life and Health Insurance Brokerage Services

Securities Regulators
- US Securities and Exchange Commission
- New York Stock Exchange

Significant Shareholders
- Vanguard Group (8.19%)
- SSgA Funds Management (8.15%)
- BlackRock Fund Advisors (4.44%)
- State Farm Investment Management (3.54%)
- Bill and Melinda Gates Foundation (2.08%)
- Institutional Ownership (68.42%)

Professional Service Providers
- Pricewaterhouse Coopers (Audit)
- The Duberstein Group (Lobbying)
- Ogilvy (Advertising)
- BBDO (Advertising)
- BakerHostetler (Litigation)
- Kirkland & Ellis (Tax and Compliance)

Subjects of CAT Financial Regulation
- Credit Granting and Loan Administration
- Maximum Interest Rates and Finance Charges
- Required Disclosures to Customers and Investors
- Secured Transactions
- Collection, Foreclosure, Repossession, and Other Trade Practices
- Use and Reporting of Borrower Credit Information
- Derivatives Regulation

CAT Financing Activities
- Caterpillar End Customers
- Retail Equipment Sales and Leases Under Dealer Financing Program
- Independent and Franchised CAT Dealers
- Caterpillar End Customers
- CAT Dealers and Original Equipment Manufacturers
- Global CAT Dealers and Customers
- Voluntary Employees Beneficiary Association Plan
- CAT Dealers, Customers, and Others

Key Company Data

Share Information
- NYSE Ticker Symbol: CAT; CAT21; CAT23; CAT35
- Earnings Per Share: $6.03 (TTM)
- 2019 Diluted Earnings Per Share: $10.74
- Recent Share Price: $178.85 (12.10.20)
- Forward Annual Dividend: $4.12
- Market Cap.: $97.433B (12.10.20)
- 2019 Dividend: $3.95

Financial Highlights

Results of Operations
- Sales: $53.8 Billion
- Cost of Good Sold: $36.63 Billion
- Gross Profit: $17.17 Billion
- R&D Expense: $1.7 Billion
- Profit: $6.093 Billion

Financial Condition
- Total Assets: $78.5 Billion
- Long-Term Debt: $26.281 Billion
- Total Liabilities: $63.824 Billion
- Total Shareholders' Equity: $14.629 Billion

Net Cash Flows
- From Operations: $6.912 Billion
- From Investing: ($1.928 Billion);
- From Financing: ($4.538 Billion)
- Total Net Cash: $402 Million

Resources
- Total Employees: 102,300 (U.S. 43,600; Non-U.S. 58,700)
- R&D Funding $1.7 billion
- Caterpillar Dealers: 165
- Caterpillar Brands: 21
- Caterpillar Products: 4 million
- Order Backlog: $13.7 billion
- Countries of Operations: 190+

Categories of Facilities
- Headquarters and Key Offices
- Technical Center, Training Centers, Demonstration Areas, and Proving Grounds
- Parts Distribution Centers
- Remanufacturing and Components Facilities
- Manufacturing Facilities

Recent Developments

Third quarter 2020 sales and revenues down 23% due to the trade war with China and COVID-related delays in construction projects.

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