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Potts_Rachel_A@cat.com**FOR IMMEDIATE RELEASE****Caterpillar Announces Officer Retirement and
Further Consolidation of Divisions**

PEORIA, Ill. – Caterpillar Inc. (NYSE: CAT) today announced the following changes:

- Steve Niehaus, currently vice president with responsibility for the Electric Power Division (EPD), is retiring.
- Following Niehaus' retirement, the company will consolidate the Electric Power and Marine and Petroleum Power Divisions (MPPD) into the new Electric Power, Marine and O&G Division (EPMOG), led by current MPPD Vice President Tom Frake.

Niehaus has elected to retire after 27 years of outstanding service with the company, including the last three as vice president with responsibility for EPD.

“Much of Steve’s career has been spent in marketing and commercial engines, and in his most recent position, he has provided critical leadership in strengthening and aggressively growing Caterpillar’s electric power business,” said Jim Umpleby, Caterpillar group president with responsibility for Energy and Transportation. “He has lived all over the world helping our customers and employees develop and grow – from Saudia Arabia to Brazil to Singapore and throughout the United States. I’m grateful to Steve for his many contributions to Caterpillar and wish him well in retirement.”

(more)

Since joining Caterpillar in 1989 as a marketing trainee, Niehaus has held numerous positions in the commercial engine businesses, large engine center marketing and Solar Turbines. In 2013, he was named vice president of EPD.

He graduated from the University of Iowa with a bachelor's degree in Business Administration and also completed the Digging Deep Program with the Stanford University Graduate School of Business.

Frake, a 30-year veteran of Caterpillar, has a broad marketing and product background. He has led MPPD since 2012, which provides a solid foundation for the newly formed EPMOG.

“We continue to focus on our customers’ success with leading and innovative products, services and solutions, while also reducing costs in this challenging environment,” said Caterpillar Chairman & CEO Doug Oberhelman. “Consolidating these energy operations along with the recently announced integration of two divisions within Customer & Dealer Support will bring efficiencies and a streamlined leadership team. With these changes, we will have reduced executive leadership by 13 percent since 2013.”

The changes are effective June 1, 2016. For bios of each of the officers, visit <http://www.caterpillar.com>.

About Caterpillar

For 90 years, Caterpillar Inc. has been making sustainable progress possible and driving positive change on every continent. Customers turn to Caterpillar to help them develop infrastructure, energy and natural resource assets. With 2015 sales and revenues of \$47.011 billion, Caterpillar is the world’s leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives. The company principally operates through its three product segments - Construction Industries, Resource Industries and Energy & Transportation - and also provides financing and related services through its Financial Products segment. For more information, visit caterpillar.com. To connect with us on social media, visit caterpillar.com/social-media.

Forward-looking Statements

Certain statements in this press release 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,” “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 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) government monetary or fiscal policies and infrastructure spending; (iii) commodity price changes, component price increases, fluctuations in demand for our products or significant shortages of component products; (iv) disruptions or volatility in global financial markets limiting our sources of liquidity or the liquidity of our customers, dealers and suppliers; (v) political and economic risks, commercial instability and events beyond our control in the countries in which we operate; (vi) 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; (vii) our Financial Products segment's risks associated with the financial services industry; (viii) changes in interest rates or market liquidity conditions; (ix) an increase in delinquencies, repossessions or net losses of Cat Financial's customers; (x) new regulations or changes in financial services regulations; (xi) a failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures or divestitures; (xii) international trade policies and their impact on demand for our products and our competitive position; (xiii) our ability to develop, produce and market quality products that meet our customers' needs; (xiv) the impact of the highly competitive environment in which we operate on our sales and pricing; (xv) failure to realize all of the anticipated benefits from initiatives to increase our productivity, efficiency and cash flow and to reduce costs; (xvi) additional restructuring costs or a failure to realize anticipated savings or benefits from past or future cost reduction actions; (xvii) inventory management decisions and sourcing practices of our dealers and our OEM customers; (xviii) compliance with environmental laws and regulations; (xix) alleged or actual violations of trade or anti-corruption laws and regulations; (xx) additional tax expense or exposure; (xxi) currency fluctuations; (xxii) our or Cat Financial's compliance with financial covenants; (xxiii) increased pension plan funding obligations; (xxiv) union disputes or other employee relations issues; (xxv) significant legal proceedings, claims, lawsuits or government investigations; (xxvi) changes in accounting standards; (xxvii) failure or breach of IT security; (xxviii) adverse effects of unexpected events including natural disasters; and (xxix) other factors described in more detail under "Item 1A. Risk Factors" in our Form 10-K filed with the SEC on February 16, 2016 for the year ended December 31, 2015.