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FOR IMMEDIATE RELEASE

Caterpillar Introduces “The Age of Smart Iron” – Digital Technology designed to Transform Productivity, Efficiency and Safety on Job Sites
Announces Accelerated Technology Strategy at bauma 2016, the World’s Largest Construction Equipment Show

MUNICH, Germany – Doug Oberhelman, Chairman and CEO of Caterpillar Inc. (NYSE: CAT), unveiled “The Age of Smart Iron” today at bauma 2016 – the world’s largest construction industry trade show. “The Age of Smart Iron” describes Caterpillar’s strategy to be the industry leader bringing digital solutions designed to improve productivity, efficiency, safety and profitability for customers.

“The Age of Smart Iron” is about empowering our customers, providing them with the tools and solutions to get more done, more efficiently, safely and profitably. It is about solving problems the customer hasn’t even thought of yet,” said Oberhelman.

Together, Caterpillar and Zeppelin Cat have 12,000 square meters of exhibit space at bauma 16. Caterpillar is featuring more than 60 products, a large selection of work tools and a full slate of dealer-delivered support services.

“While we always love to showcase our machines and engines, we’re equally excited about what’s at the center of our exhibit: Caterpillar technology,” said Caterpillar Group President, Rob Charter. “This is not technology for technology’s sake. It is technology that’s focused on solving, and even anticipating, customer problems. We’re taking the machines, locomotives, engines and parts we’re so well known for and making them smarter, while also

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equipping the people who operate them with data that makes them more productive, enhances safety and improves sustainability.”

Some of the main attractions include:

- **Cat Connect Technology**: Hardware and software available for Cat or competitive equipment that arms customers with information designed to help them optimize their operations. Specific construction technologies on display include:
  - **LINK**, a solution that captures vital performance and product health data and makes that data available on the web to guide decision-making.
  - **GRADE** and **COMPACT**, two productivity solutions that help operators move material faster, more accurately and with fewer passes.
  - **PAYLOAD**, an on-board system for trucks and loading tools that drives higher efficiency, shorter cycle times and lower cost per ton.

- **Cat 360° Advantage**, a collaboration between Caterpillar and Cat dealers to deliver a full complement of expertise, technology-enabled equipment and support services that address customers’ jobsite challenges.

- **Leverage Every Litre**, an educational initiative with tools, tips and resources that help Caterpillar customers improve the fuel efficiency of their products and, as a result, increase its revenue from every liter of fuel burned.

- **Product Support Services** that enhance the customer’s equipment investment and help maximize its value.

Products on display include the 966M XE wheel loader that features advanced power train design and deep systems integration for higher efficiency and lower total operating costs. Three new pavers, AP300F, AP355F and AP555F, are built with intuitive, accessible technology and a quick-heating screed system that increases productivity and reduces idle time.

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The 6015B hydraulic mining shovel is built with class-leading speed and power and optimized to load the Cat 773, 775 and 777 trucks.

At the news conference, Oberhelman also outlined how Caterpillar is different from competitors that are also focused on digital technology and connectivity.

“First, we’re already doing it. We have approximately 400,000 connected assets and an installed base of three million machines and engines at work around the world today. That foundation gives us a head start, and we’re building on it.

“Second, when you combine that with the expertise and experience of our people with our unmatched dealer network, you see Caterpillar’s great competitive advantage. We know how to build solutions, and we have the distribution network to deliver and service those solutions.

“Third, since 1925, Caterpillar has been dedicated to helping our customers succeed. Visit just about any country in the world and you’ll see Caterpillar yellow iron at work, building and delivering the infrastructure and energy that brings higher standards of living. Think about the benefits when all of that yellow iron is smart iron, too.

“Fourth, we are not going to offer just one solution across our global footprint, but multiple solutions to meet the demands of our customers in construction, mining, energy and transportation.”

To summarize The Age of Smart Iron, Oberhelman said, “Our vision is that by enhancing our Cat Connect Technology and Services offerings, entire fleets and job sites – every machine, engine, truck, tablet, light tower, smart device and drone – will eventually share data on one common technology platform and speak the same language. I can’t wait to see what that means for our customers – and for us.”

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.