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Email: Scott_Corrie@cat.com**FOR IMMEDIATE RELEASE****Caterpillar Recommends Shareholders Reject Below-Market Mini Tender Offer by Baker Mills**

DEERFIELD, Ill. – Caterpillar Inc. (NYSE: CAT) received notice of an unsolicited mini-tender offer by Baker Mills LLC to purchase up to 35,000 Caterpillar common shares, representing approximately 0.005 percent of the company’s outstanding shares. Baker Mills’ offer price of \$98.00 per share in cash is approximately 20 percent lower than the \$122.32 closing price of Caterpillar common shares on November 23, 2018, the last closing price prior to commencement of the offer.

Caterpillar does not endorse Baker Mills’ unsolicited mini-tender offer and recommends shareholders do not tender their shares because the offer is at a price significantly below the current market price of Caterpillar common shares. Caterpillar is not affiliated or associated in any way with Baker Mills, its mini-tender offer or the mini-tender offer documentation.

Caterpillar urges shareholders to obtain current market quotations for their shares, to consult with their broker or financial advisor, and to exercise caution with respect to Baker Mills’ mini-tender offer.

Caterpillar recommends shareholders who have not responded to Baker Mills offer take no action. Caterpillar also recommends that shareholders who have already tendered their shares withdraw those shares in accordance with Baker Mills’ offering documents prior to the

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expiration of the offer, currently scheduled for 5 p.m. Eastern Time on Wednesday, December 26, 2018.

Baker Mills has made similar below-market mini-tender offers for other companies' shares. Mini-tender offers are devised to seek less than 5 percent of a company's stock and are not subject to many of the investor protections afforded to larger tender offers and requirements of the U.S. Securities and Exchange Commission (SEC). The SEC has cautioned investors that some bidders making mini-tender offers at below-market prices are "hoping that they will catch investors off guard if the investors do not compare the offer price to the current market price." The SEC's guidance to investors on mini-tender offers is available at <http://www.sec.gov/investor/pubs/minitend.htm>.

Caterpillar encourages brokers and dealers, as well as other market participants, to review the SEC's letter regarding broker-dealer mini-tender offer dissemination and disclosure at <https://www.sec.gov/divisions/marketreg/minitenders/sia072401.htm>.

Caterpillar requests that a copy of this press release be included with all distributions of materials relating to Baker Mills' mini-tender offer related to Caterpillar common shares.

About Caterpillar

For more than 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 2017 sales and revenues of \$45.462 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 primary 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 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)

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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) additional restructuring costs or a failure to realize anticipated savings or benefits from past or future cost reduction actions; (x) failure to realize all of the anticipated benefits from initiatives to increase our productivity, efficiency and cash flow and to reduce costs; (xi) inventory management decisions and sourcing practices of our dealers and our OEM customers; (xii) a failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures or divestitures; (xiii) union disputes or other employee relations issues; (xiv) adverse effects of unexpected events including natural disasters; (xv) disruptions or volatility in global financial markets limiting our sources of liquidity or the liquidity of our customers, dealers and suppliers; (xvi) 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; (xvii) our Financial Products segment's risks associated with the financial services industry; (xviii) changes in interest rates or market liquidity conditions; (xix) an increase in delinquencies, repossessions or net losses of Cat Financial's customers; (xx) currency fluctuations; (xxi) our or Cat Financial's compliance with financial and other restrictive covenants in debt agreements; (xxii) increased pension plan funding obligations; (xxiii) alleged or actual violations of trade or anti-corruption laws and regulations; (xxiv) additional tax expense or exposure, including the impact of U.S. tax reform; (xxv) significant legal proceedings, claims, lawsuits or government investigations; (xxvi) new regulations or changes in financial services regulations; (xxvii) compliance with environmental laws and regulations; and (xxviii) other factors described in more detail in Caterpillar's Forms 10-Q, 10-K and other filings with the Securities and Exchange Commission.