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Caterpillar contact:

Rachel Potts
Global Government & Corporate Affairs
309-675-6892
309-573-3444
Potts_Rachel_A@cat.com

FOR IMMEDIATE RELEASE**Caterpillar Announces Executive Officer Retirement**

PEORIA, Ill. – Following a distinguished career of more than 30 years – spending the last 16 years as chief legal officer – Caterpillar Inc. (NYSE: CAT) announced today that Law and Public Policy Executive Vice President Jim Buda is retiring.

“Jim has been a trusted advisor to countless leaders at Caterpillar, not the least of which is four CEOs, including myself,” said Caterpillar Chairman Doug Oberhelman. “Not only does he lead a world-class, diverse legal team, but he also designed and built a strategic organization that looks seamlessly at the company’s influential policy, communications and governmental affairs initiatives on a worldwide basis. I have considered him a close colleague and count him and his wife, Susan, among my dear friends. I wish him only the best in his well-deserved retirement.”

Buda has been awarded numerous national awards from a variety of law and public policy organizations, including various organizations naming him “General Counsel of the Year” multiple times. He also won the “Legends in Law” honor by the Burton Awards in association with the Library of Congress. His organization has also received several national awards for its pro bono program and was nationally recognized for diversity and inclusion. Buda will be recognized in March 2017 by the National Association of Women Lawyers for his ongoing commitment to recruiting and developing women attorneys and legal leaders.

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“Jim has built a strong foundation for our critical legal and public policy work,” said Caterpillar CEO Jim Umpleby. “But perhaps his greatest passion and legacy is sharing his and his team’s talents through pro bono legal work in communities throughout the world – assisting those who could use a guiding hand. I wish him and his family a happy and healthy retirement.”

Buda joined Caterpillar in 1987 after 13 years serving clients in both private and corporate practice. He filled a number of senior corporate attorney positions and was named Associate General Counsel for Litigation in 1996. In 1998, Buda assumed the position of Associate General Counsel for the Legal Services Division in the United Kingdom before becoming the company’s General Counsel in 2001. He became the company’s Senior Vice President in 2010 and ascended to his current position as Executive Vice President of Law and Public Policy in 2012. Buda is a member of numerous legal associations including the American Bar Association, Association of General Counsels and the Board of Directors of the Institute for Legal Reform of the United States Chamber of Commerce.

His retirement is effective May 1, 2017.

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 2016 sales and revenues of \$38.537 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.