

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



**FORM 8-K**

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 29, 2021**

**CATERPILLAR INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

**1-768**

**37-0602744**

(State or other jurisdiction of incorporation)

(Commission File Number)

(I.R.S Employer Identification No.)

**510 Lake Cook Road, Suite 100, Deerfield, Illinois 60015**

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: **(224) 551-4000**

Former name or former address, if changed since last report: **N/A**

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol (s)</b>	<b>Name of each exchange which registered</b>
Common Stock (\$1.00 par value)	CAT	The New York Stock Exchange
9 3/8% Debentures due March 15, 2021	CAT21	The New York Stock Exchange
8% Debentures due February 15, 2023	CAT23	The New York Stock Exchange
5.3% Debentures due September 15, 2035	CAT35	The New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Indicate by check mark whether the registrant is an emerging growth company as defined by Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition.**

On January 29, 2021, Caterpillar Inc. issued a press release reporting its financial results for the quarter ended December 31, 2020. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated into this Item 2.02 by reference.

**Item 7.01. Regulation FD Disclosure.**

Caterpillar Inc. is furnishing supplemental information concerning (i) retail sales of machines to end users and (ii) retail sales of power systems (including reciprocating and turbine engines and locomotives) to end users and Original Equipment Manufacturers ("OEMs"). This supplemental information is attached hereto as Exhibit 99.2 and incorporated into this Item 7.01 by reference.

The information in this Current Report on Form 8-K, including Exhibit 99.1, is being furnished in accordance with the provisions of General Instruction B.2 of Form 8-K.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits:

The following is furnished as an exhibit to this report:

99.1 [Caterpillar Inc. press release dated January 29, 2021](#)

99.2 [Retail Statistics](#)

104 The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**CATERPILLAR INC.**

January 29, 2021

By: /s/ Suzette M. Long

Suzette M. Long  
Chief Legal Officer & General Counsel

# Caterpillar Inc.

## 4Q 2020 Earnings Release

January 29, 2021

FOR IMMEDIATE RELEASE

### Caterpillar Reports Fourth-Quarter and Full-Year 2020 Results

- Caterpillar reports strong operational performance
- Fourth-quarter 2020 profit per share of \$1.42; adjusted profit per share of \$2.12
- Full-year operating profit margin percentage of 10.9%; adjusted operating profit margin of 11.8%, within 2019 Investor Day target range
- Returned \$3.4 billion to shareholders through dividends and share repurchases in 2020

(\$ in billions except profit per share)

	Fourth Quarter		Full Year	
	2020	2019	2020	2019
<b>Sales and Revenues</b>	\$11.2	\$13.1	\$41.7	\$53.8
<b>Profit Per Share</b>	\$1.42	\$1.97	\$5.46	\$10.74
<b>Adjusted Profit Per Share</b>	\$2.12	\$2.71	\$6.56	\$11.40

DEERFIELD, Ill. – Caterpillar Inc. (NYSE: CAT) today announced fourth-quarter and full-year results for 2020.

Sales and revenues for the fourth quarter of 2020 were \$11.2 billion, a 15% decrease compared with \$13.1 billion in the fourth quarter of 2019. Operating profit margin was 12.3% for the fourth quarter of 2020, compared with 14.1% for the fourth quarter of 2019. Fourth-quarter 2020 profit per share was \$1.42, compared with \$1.97 profit per share in the fourth quarter of 2019. Adjusted profit per share in the fourth quarter of 2020 was \$2.12, compared with fourth-quarter 2019 adjusted profit per share of \$2.71. Fourth-quarter 2020 adjusted profit per share of \$2.12 reflects strong operational performance and a lower effective tax rate.

Full-year sales and revenues in 2020 were \$41.7 billion, down 22% compared with \$53.8 billion in 2019. The sales decline reflected lower end-user demand and dealers reducing their inventories by \$2.9 billion in 2020. Operating profit margin was 10.9% for 2020, compared with 15.4% for 2019. Full-year profit was \$5.46 per share in 2020, compared with profit of \$10.74 per share in 2019. Adjusted profit per share in 2020 was \$6.56, compared with adjusted profit per share of \$11.40 in 2019.

“I’m proud of our global team’s continued resilience in safely navigating COVID-19 while continuing to provide the essential products and services the world needs,” said Caterpillar Chairman and CEO Jim Umpleby. “Our fourth-quarter and full-year results reflect the team’s agility in a challenging environment while executing our strategy for long-term profitable growth. We achieved the adjusted operating profit margin established during our 2019 Investor Day while continuing to invest in products and services. We are well-positioned for the future and will emerge from the pandemic as an even stronger company.”

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In 2020, adjusted profit per share excluded mark-to-market losses for remeasurement of pension and other postemployment benefit (OPEB) plans and restructuring costs. In 2019, adjusted profit per share excluded mark-to-market losses for remeasurement of pension and OPEB plans, restructuring costs and a discrete tax benefit related to U.S. tax reform. Please see in the appendix on page 14 a reconciliation of GAAP to non-GAAP financial measures.

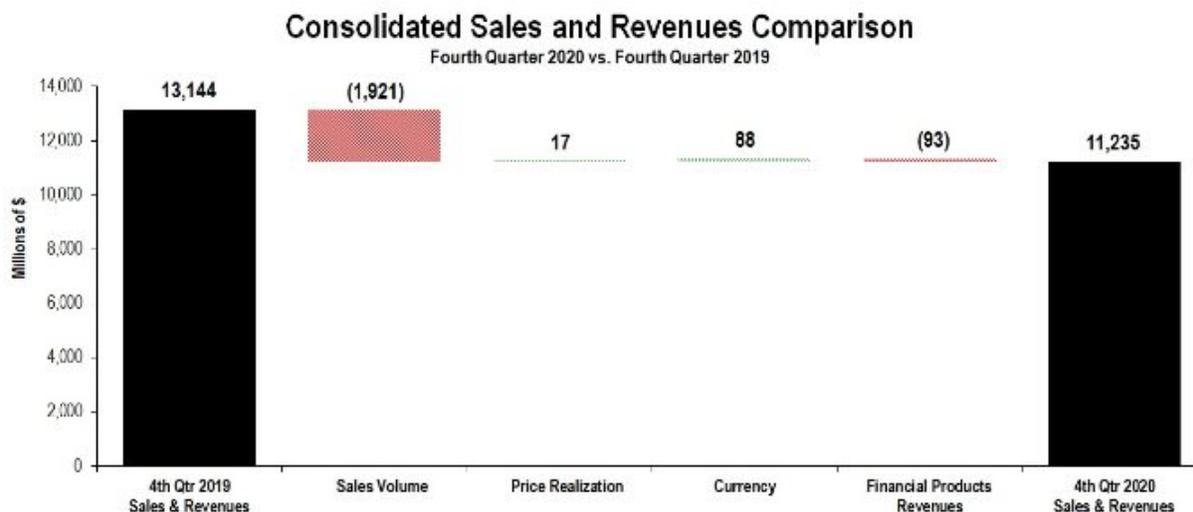
For the full year of 2020, enterprise operating cash flow was \$6.3 billion. During the year, the company paid dividends of \$2.2 billion and repurchased \$1.1 billion of Caterpillar common stock. Liquidity remains strong with an enterprise cash balance of \$9.4 billion at the end of 2020.

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## CONSOLIDATED RESULTS

### Consolidated Sales and Revenues



The chart above graphically illustrates reasons for the change in consolidated sales and revenues between the fourth quarter of 2019 (at left) and the fourth quarter of 2020 (at right). Caterpillar management utilizes these charts internally to visually communicate with the company's Board of Directors and employees.

Total sales and revenues for the fourth quarter of 2020 were \$11.235 billion, a decrease of \$1.909 billion, or 15%, compared with \$13.144 billion in the fourth quarter of 2019. The decline was mostly due to lower sales volume driven by lower end-user demand for equipment and services and the impact from changes in dealer inventories. Dealers decreased inventories more during the fourth quarter of 2020 than during the fourth quarter of 2019.

Sales were lower across the three primary segments, with the largest decline in Energy & Transportation.

#### Sales and Revenues by Segment

(Millions of dollars)	Fourth Quarter 2019	Sales Volume	Price Realization	Currency	Inter-Segment / Other	Fourth Quarter 2020	\$ Change	% Change
Construction Industries	\$ 5,020	\$ (526)	\$ (3)	\$ 30	\$ (13)	\$ 4,508	\$ (512)	(10%)
Resource Industries	2,395	(237)	7	7	8	2,180	(215)	(9%)
Energy & Transportation	5,949	(1,197)	12	49	(2)	4,811	(1,138)	(19%)
All Other Segment	143	3	(1)	1	(9)	137	(6)	(4%)
Corporate Items and Eliminations	(1,121)	36	2	1	16	(1,066)	55	
<b>Machinery, Energy &amp; Transportation</b>	<b>12,386</b>	<b>(1,921)</b>	<b>17</b>	<b>88</b>	<b>—</b>	<b>10,570</b>	<b>(1,816)</b>	<b>(15%)</b>
Financial Products Segment	846	—	—	—	(103)	743	(103)	(12%)
Corporate Items and Eliminations	(88)	—	—	—	10	(78)	10	
<b>Financial Products Revenues</b>	<b>758</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(93)</b>	<b>665</b>	<b>(93)</b>	<b>(12%)</b>
<b>Consolidated Sales and Revenues</b>	<b>\$ 13,144</b>	<b>\$ (1,921)</b>	<b>\$ 17</b>	<b>\$ 88</b>	<b>\$ (93)</b>	<b>\$ 11,235</b>	<b>\$ (1,909)</b>	<b>(15%)</b>

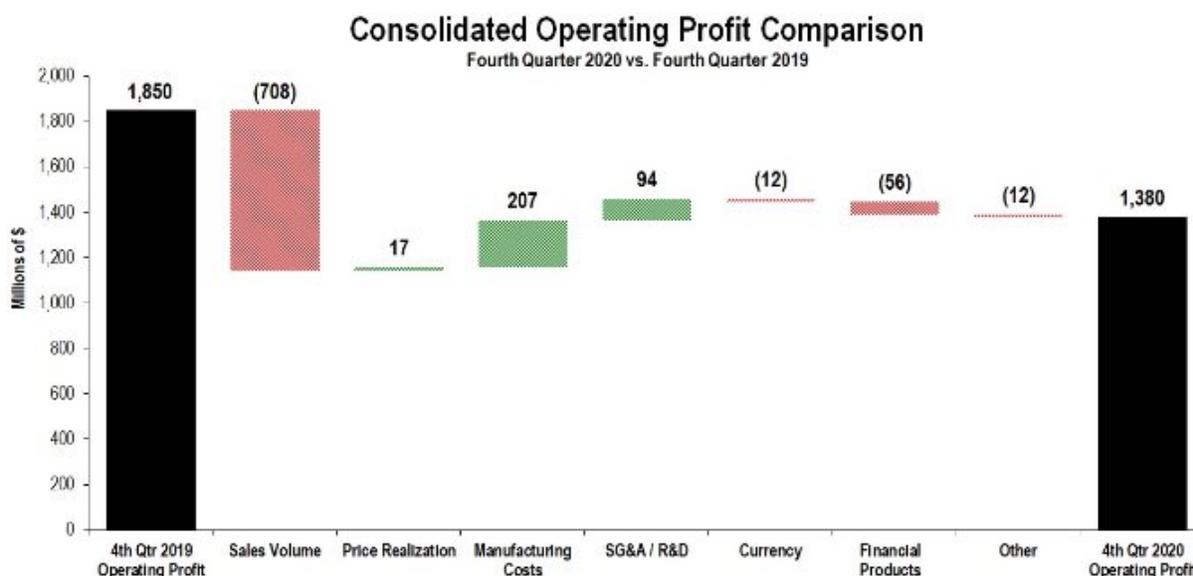
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## Sales and Revenues by Geographic Region

(Millions of dollars)	North America		Latin America		EAME		Asia/Pacific		External Sales and Revenues		Inter-Segment		Total Sales and Revenues	
	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg
<b>Fourth Quarter 2020</b>														
Construction Industries	\$ 1,895	(16%)	\$ 324	(21%)	\$ 848	—%	\$ 1,417	(4%)	\$ 4,484	(10%)	\$ 24	(35%)	\$ 4,508	(10%)
Resource Industries	596	(29%)	394	26%	412	(22%)	651	8%	2,053	(10%)	127	7%	2,180	(9%)
Energy & Transportation	1,705	(25%)	265	(25%)	1,353	(14%)	707	(25%)	4,030	(22%)	781	—%	4,811	(19%)
All Other Segment	5	150%	—	—%	9	80%	18	(18%)	32	10%	105	(8%)	137	(4%)
Corporate Items and Eliminations	(27)		1		(2)		(1)		(29)		(1,037)		(1,066)	
<b>Machinery, Energy &amp; Transportation</b>	<b>4,174</b>	<b>(22%)</b>	<b>984</b>	<b>(9%)</b>	<b>2,620</b>	<b>(11%)</b>	<b>2,792</b>	<b>(8%)</b>	<b>10,570</b>	<b>(15%)</b>	<b>—</b>	<b>—%</b>	<b>10,570</b>	<b>(15%)</b>
Financial Products Segment	464	(16%)	64	(14%)	94	(8%)	121	4%	743	(12%)	—	—%	743	(12%)
Corporate Items and Eliminations	(41)		(10)		(10)		(17)		(78)		—		(78)	
<b>Financial Products Revenues</b>	<b>423</b>	<b>(16%)</b>	<b>54</b>	<b>(10%)</b>	<b>84</b>	<b>(10%)</b>	<b>104</b>	<b>3%</b>	<b>665</b>	<b>(12%)</b>	<b>—</b>	<b>—%</b>	<b>665</b>	<b>(12%)</b>
<b>Consolidated Sales and Revenues</b>	<b>\$ 4,597</b>	<b>(21%)</b>	<b>\$ 1,038</b>	<b>(9%)</b>	<b>\$ 2,704</b>	<b>(11%)</b>	<b>\$ 2,896</b>	<b>(8%)</b>	<b>\$ 11,235</b>	<b>(15%)</b>	<b>\$ —</b>	<b>—%</b>	<b>\$ 11,235</b>	<b>(15%)</b>
<b>Fourth Quarter 2019</b>														
Construction Industries	\$ 2,249		\$ 409		\$ 850		\$ 1,475		\$ 4,983		\$ 37		\$ 5,020	
Resource Industries	834		313		526		603		2,276		119		2,395	
Energy & Transportation	2,287		354		1,578		947		5,166		783		5,949	
All Other Segment	2		—		5		22		29		114		143	
Corporate Items and Eliminations	(50)		—		(5)		(13)		(68)		(1,053)		(1,121)	
<b>Machinery, Energy &amp; Transportation</b>	<b>5,322</b>		<b>1,076</b>		<b>2,954</b>		<b>3,034</b>		<b>12,386</b>		<b>—</b>		<b>12,386</b>	
Financial Products Segment	554		74		102		116		846		—		846	
Corporate Items and Eliminations	(50)		(14)		(9)		(15)		(88)		—		(88)	
<b>Financial Products Revenues</b>	<b>504</b>		<b>60</b>		<b>93</b>		<b>101</b>		<b>758</b>		<b>—</b>		<b>758</b>	
<b>Consolidated Sales and Revenues</b>	<b>\$ 5,826</b>		<b>\$ 1,136</b>		<b>\$ 3,047</b>		<b>\$ 3,135</b>		<b>\$ 13,144</b>		<b>\$ —</b>		<b>\$ 13,144</b>	

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## Consolidated Operating Profit



The chart above graphically illustrates reasons for the change in consolidated operating profit between the fourth quarter of 2019 (at left) and the fourth quarter of 2020 (at right). Caterpillar management utilizes these charts internally to visually communicate with the company's Board of Directors and employees. The bar titled Other includes consolidating adjustments and Machinery, Energy & Transportation's other operating (income) expenses.

Operating profit for the fourth quarter of 2020 was \$1.380 billion, a decrease of \$470 million, or 25%, compared with \$1.850 billion in the fourth quarter of 2019. The decrease was primarily the result of lower sales volume partially offset by lower manufacturing costs and selling, general and administrative (SG&A) and research and development (R&D) expenses. In addition, operating profit declined due to lower profit from Financial Products.

Manufacturing costs were lower due to favorable impact from cost absorption, lower material and period manufacturing costs, partially offset by higher warranty expense. Cost absorption was favorable as inventory decreased more in the fourth quarter of 2019 than in the fourth quarter of 2020.

SG&A/R&D expenses and period manufacturing costs benefited from reduced short-term incentive compensation expense and other cost reductions related to lower sales volumes, partially offset by higher labor and benefits costs.

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**Profit (Loss) by Segment**

(Millions of dollars)	Fourth Quarter 2020	Fourth Quarter 2019	\$ Change	% Change
Construction Industries	\$ 630	\$ 659	\$ (29)	(4 %)
Resource Industries	273	261	12	5 %
Energy & Transportation	687	1,165	(478)	(41 %)
All Other Segment	(3)	(11)	8	73 %
Corporate Items and Eliminations	(281)	(325)	44	
<b>Machinery, Energy &amp; Transportation</b>	<b>1,306</b>	<b>1,749</b>	<b>(443)</b>	<b>(25 %)</b>
Financial Products Segment	195	210	(15)	(7 %)
Corporate Items and Eliminations	(47)	(6)	(41)	
<b>Financial Products</b>	<b>148</b>	<b>204</b>	<b>(56)</b>	<b>(27 %)</b>
<b>Consolidating Adjustments</b>	<b>(74)</b>	<b>(103)</b>	<b>29</b>	
<b>Consolidated Operating Profit</b>	<b>\$ 1,380</b>	<b>\$ 1,850</b>	<b>\$ (470)</b>	<b>(25 %)</b>

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**Other Profit/Loss and Tax Items**

- Other income (expense) in the fourth quarter of 2020 was an expense of \$309 million, compared with an expense of \$373 million in the fourth quarter of 2019. The change was primarily driven by lower pension and OPEB costs including lower mark-to-market losses for remeasurement of pension and OPEB plans and impacts from gains (losses) on marketable securities at Insurance Services, partially offset by unfavorable impacts from foreign currency exchange gains (losses). The favorable impact of gains (losses) on marketable securities reflected unrealized gains in the fourth quarter of 2020, compared with unrealized losses in the fourth quarter of 2019 and the absence of realized gains that occurred in the fourth quarter of 2019.
- The provision for income taxes for the fourth quarter of 2020 reflected an annual effective tax rate of approximately 28%, compared with 25% for the fourth quarter of 2019, excluding the discrete items discussed below. The increase from 2019 was primarily related to changes in the geographic mix of profits from a tax perspective.

In the fourth quarter of 2020, the company recorded a \$96 million tax benefit due to the change from the third quarter estimated annual tax rate of 31%, compared to a \$64 million tax benefit for the reduction in the annual effective tax rate in the fourth quarter of 2019. In addition, the company recorded a tax benefit of \$92 million related to \$438 million of pension and OPEB mark-to-market losses in the fourth quarter of 2020, compared to a \$105 million tax benefit related to \$468 million of mark-to-market losses in the fourth quarter of 2019. Finally, the company recorded a tax benefit of \$28 million in the fourth quarter of 2020, compared to \$13 million in the fourth quarter of 2019, for the settlement of stock-based compensation awards with associated tax deductions in excess of cumulative U.S. GAAP compensation expense.

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## CONSTRUCTION INDUSTRIES

(Millions of dollars)

### Segment Sales

	Fourth Quarter 2019	Sales Volume	Price Realization	Currency	Inter-Segment	Fourth Quarter 2020	\$ Change	% Change
Total Sales	\$ 5,020	\$ (526)	\$ (3)	\$ 30	\$ (13)	\$ 4,508	\$ (512)	(10 %)

### Sales by Geographic Region

	Fourth Quarter 2020	Fourth Quarter 2019	\$ Change	% Change
North America	\$ 1,895	\$ 2,249	\$ (354)	(16 %)
Latin America	324	409	(85)	(21 %)
EAME	848	850	(2)	— %
Asia/Pacific	1,417	1,475	(58)	(4 %)
External Sales	4,484	4,983	(499)	(10 %)
Inter-segment	24	37	(13)	(35 %)
Total Sales	\$ 4,508	\$ 5,020	\$ (512)	(10 %)

### Segment Profit

	Fourth Quarter 2020	Fourth Quarter 2019	Change	% Change
Segment Profit	\$ 630	\$ 659	\$ (29)	(4 %)
Segment Profit Margin	14.0 %	13.1 %	0.9 pts	

Construction Industries' total sales were \$4.508 billion in the fourth quarter of 2020, a decrease of \$512 million, or 10%, compared with \$5.020 billion in the fourth quarter of 2019. The decrease was due to lower sales volume, driven by the impact from changes in dealer inventories and slightly lower end-user demand. Dealers decreased inventories more during the fourth quarter of 2020 than during the fourth quarter of 2019.

- In North America, sales decreased mostly due to lower sales volume driven by the impact from changes in dealer inventories and lower end-user demand. The lower end-user demand was primarily the result of weaker pipeline and road construction. Dealers decreased inventories more during the fourth quarter of 2020 than during the fourth quarter of 2019.
- Sales declined in Latin America primarily due to the unfavorable currency impacts from a weaker Brazilian real and lower sales volume.
- In EAME, sales were about flat as lower sales volume across several countries in the region was offset by favorable price realization and favorable currency impacts from a stronger euro. Lower sales volume was driven by lower end-user demand, partially offset by the impact of changes in dealer inventories. Dealers decreased inventories more during the fourth quarter of 2019 than during the fourth quarter of 2020.
- Sales decreased in Asia/Pacific primarily due to lower sales volume and unfavorable price realization, partially offset by favorable currency impacts from both a stronger Chinese yuan and Australian dollar. The decrease in sales was mainly driven by China, where higher end-user demand was more than offset by unfavorable impacts from changes in dealer inventories. This was partially offset by higher demand in several other countries.

Construction Industries' profit was \$630 million in the fourth quarter of 2020, a decrease of \$29 million, or 4%, compared with \$659 million in the fourth quarter of 2019. The decrease was mainly due to lower sales volume and higher warranty expense, partially offset by favorable impact of cost absorption and lower SG&A/R&D expenses. Cost absorption was favorable as inventory increased during the fourth quarter of 2020, compared with a decrease

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during the fourth quarter of 2019. SG&A/R&D expenses benefited from reduced short-term incentive compensation expense and other cost reductions related to lower sales volumes.

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## RESOURCE INDUSTRIES

(Millions of dollars)

### Segment Sales

	Fourth Quarter 2019	Sales Volume	Price Realization	Currency	Inter-Segment	Fourth Quarter 2020	\$ Change	% Change
Total Sales	\$ 2,395	\$ (237)	\$ 7	\$ 7	\$ 8	\$ 2,180	\$ (215)	(9 %)

### Sales by Geographic Region

	Fourth Quarter 2020	Fourth Quarter 2019	\$ Change	% Change
North America	\$ 596	\$ 834	\$ (238)	(29 %)
Latin America	394	313	81	26 %
EAME	412	526	(114)	(22 %)
Asia/Pacific	651	603	48	8 %
External Sales	2,053	2,276	(223)	(10 %)
Inter-segment	127	119	8	7 %
Total Sales	\$ 2,180	\$ 2,395	\$ (215)	(9 %)

### Segment Profit

	Fourth Quarter 2020	Fourth Quarter 2019	Change	% Change
Segment Profit	\$ 273	\$ 261	\$ 12	5 %
Segment Profit Margin	12.5 %	10.9 %	1.6 pts	

Resource Industries' total sales were \$2.180 billion in the fourth quarter of 2020, a decrease of \$215 million, or 9%, compared with \$2.395 billion in the fourth quarter of 2019. The decrease was due to lower end-user demand for equipment and aftermarket parts. End-user demand was lower for heavy construction and quarry and aggregates and was also lower in mining, but to a lesser extent.

Resource Industries' profit was \$273 million in the fourth quarter of 2020, an increase of \$12 million, or 5%, compared with \$261 million in the fourth quarter of 2019. The increase was mainly due to favorable manufacturing costs and lower SG&A/R&D expenses which was mostly offset by lower sales volume. Favorable manufacturing costs reflected favorable variable labor and burden, impact of cost absorption, period manufacturing costs and material costs. Cost absorption was favorable as inventory decreased in the fourth quarter of 2019 compared with being about flat in the fourth quarter of 2020. SG&A/R&D expenses, along with period manufacturing costs, benefited from lower short-term incentive compensation expense, other cost-reduction actions implemented and benefits from prior restructuring programs.

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## ENERGY & TRANSPORTATION

(Millions of dollars)

### Segment Sales

	Fourth Quarter 2019	Sales Volume	Price Realization	Currency	Inter-Segment	Fourth Quarter 2020	\$ Change	% Change
Total Sales	\$ 5,949	\$ (1,197)	\$ 12	\$ 49	\$ (2)	\$ 4,811	\$ (1,138)	(19 %)

### Sales by Application

	Fourth Quarter 2020	Fourth Quarter 2019	\$ Change	% Change
Oil and Gas	\$ 1,079	\$ 1,523	\$ (444)	(29 %)
Power Generation	1,180	1,294	(114)	(9 %)
Industrial	736	908	(172)	(19 %)
Transportation	1,035	1,441	(406)	(28 %)
External Sales	4,030	5,166	(1,136)	(22 %)
Inter-segment	781	783	(2)	— %
Total Sales	\$ 4,811	\$ 5,949	\$ (1,138)	(19 %)

### Segment Profit

	Fourth Quarter 2020	Fourth Quarter 2019	Change	% Change
Segment Profit	\$ 687	\$ 1,165	\$ (478)	(41 %)
Segment Profit Margin	14.3 %	19.6 %	(5.3 pts)	

Energy & Transportation's total sales were \$4.811 billion in the fourth quarter of 2020, a decrease of \$1.138 billion, or 19%, compared with \$5.949 billion in the fourth quarter of 2019. Sales declined across all applications.

- Oil and Gas – Sales decreased mainly due to lower demand in North America for reciprocating engines used in gas compression and well servicing. In addition, sales were lower for turbines and turbine-related services.
- Power Generation – Sales decreased primarily due to lower sales volume in small reciprocating engines, turbines and turbine-related services and engine aftermarket parts.
- Industrial – Sales decreased due to lower demand across all regions.
- Transportation – Sales declined in rail due to lower rail services and locomotives deliveries, primarily in North America. Marine sales were also lower.

Energy & Transportation's profit was \$687 million in the fourth quarter of 2020, a decrease of \$478 million, or 41%, compared with \$1.165 billion in the fourth quarter of 2019. The decrease was due to lower sales volume, partially offset by lower SG&A/R&D expenses and period manufacturing costs. SG&A/R&D expenses and period manufacturing costs were mostly impacted by a reduction in short-term incentive compensation expense and other cost-reduction actions implemented in response to lower sales volumes.

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## FINANCIAL PRODUCTS SEGMENT

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(Millions of dollars)

### Revenues by Geographic Region

	Fourth Quarter 2020	Fourth Quarter 2019	\$ Change	% Change
North America	\$ 464	\$ 554	\$ (90)	(16 %)
Latin America	64	74	(10)	(14 %)
EAME	94	102	(8)	(8 %)
Asia/Pacific	121	116	5	4 %
Total Revenues	<u>\$ 743</u>	<u>\$ 846</u>	<u>\$ (103)</u>	(12 %)

### Segment Profit

	Fourth Quarter 2020	Fourth Quarter 2019	Change	% Change
Segment Profit	\$ 195	\$ 210	\$ (15)	(7 %)

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Financial Products' segment revenues were \$743 million in the fourth quarter of 2020, a decrease of \$103 million, or 12%, from the fourth quarter of 2019. The decrease was primarily because of lower average financing rates across all regions and lower average earning assets in North America.

Financial Products' segment profit was \$195 million in the fourth quarter of 2020, compared with \$210 million in the fourth quarter of 2019. The decrease was primarily due to higher provision for credit losses, an unfavorable impact from returned or repossessed equipment and lower average earning assets at Cat Financial. These unfavorable impacts were partially offset by a reduction in SG&A expenses primarily due to lower short-term incentive compensation and a favorable impact from equity securities in Insurance Services.

At the end of 2020, past dues at Cat Financial were 3.49%, compared with 3.14% at the end of 2019. Past dues increased primarily due to the impact of the COVID-19 pandemic, partially offset by decreases in the Caterpillar Power Finance, EAME and Latin American portfolios. Write-offs, net of recoveries, were \$222 million for 2020, compared with \$237 million for 2019. As of December 31, 2020, Cat Financial's allowance for credit losses totaled \$479 million, or 1.77% of finance receivables, compared with \$424 million, or 1.50% of finance receivables at December 31, 2019.

### Corporate Items and Eliminations

Expense for corporate items and eliminations was \$328 million in the fourth quarter of 2020, a decrease of \$3 million from the fourth quarter of 2019.

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## Notes

- i. Glossary of terms is included on the Caterpillar website at <https://investors.caterpillar.com/overview/default.aspx>.
- ii. End-user demand is demonstrated by the company's Rolling 3 Month Retail Sales Statistics filed in a Form 8-K on Friday, January 29, 2021.
- iii. Information on non-GAAP financial measures is included in the appendix on page 14.
- iv. Some amounts within this report are rounded to the millions or billions and may not add.
- v. Caterpillar will conduct a teleconference and live webcast, with a slide presentation, beginning at 7:30 a.m. Central Time on Friday, January 29, 2021, to discuss its 2020 fourth-quarter and full-year results. The accompanying slides will be available before the webcast on the Caterpillar website at <https://investors.caterpillar.com/events-presentations/default.aspx>.

## About Caterpillar

With 2020 sales and revenues of \$41.7 billion, Caterpillar Inc. is the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines, and diesel-electric locomotives. Since 1925, we've been driving sustainable progress and helping customers build a better world through innovative products and services. Throughout the product life cycle, we offer services built on cutting-edge technology and decades of product expertise. These products and services, backed by our global dealer network, provide exceptional value to help our customers succeed. We do business on every continent, principally operating through three primary segments – Construction Industries, Resource Industries, and Energy & Transportation – and providing financing and related services through our Financial Products segment. Visit us at [caterpillar.com](http://caterpillar.com) or join the conversation on our social media channels at [caterpillar.com/social-media](http://caterpillar.com/social-media).

Caterpillar's latest financial results are also available online:

<https://investors.caterpillar.com/overview/default.aspx>

<https://investors.caterpillar.com/financials/quarterly-results/default.aspx> (live broadcast/replays of quarterly conference call)

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## **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,” “forecast,” “target,” “guide,” “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) 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) inventory management decisions and sourcing practices of our dealers and our OEM customers; (x) a failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures or divestitures; (xi) union disputes or other employee relations issues; (xii) adverse effects of unexpected events; (xiii) disruptions or volatility in global financial markets limiting our sources of liquidity or the liquidity of our customers, dealers and suppliers; (xiv) 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; (xv) our Financial Products segment’s risks associated with the financial services industry; (xvi) changes in interest rates or market liquidity conditions; (xvii) an increase in delinquencies, repossessions or net losses of Cat Financial’s customers; (xviii) currency fluctuations; (xix) our or Cat Financial’s compliance with financial and other restrictive covenants in debt agreements; (xx) increased pension plan funding obligations; (xxi) alleged or actual violations of trade or anti-corruption laws and regulations; (xxii) additional tax expense or exposure, including the impact of U.S. tax reform; (xxiii) significant legal proceedings, claims, lawsuits or government investigations; (xxiv) new regulations or changes in financial services regulations; (xxv) compliance with environmental laws and regulations; (xxvi) the duration and geographic spread of, business disruptions caused by, and the overall global economic impact of, the COVID-19 pandemic; and (xxvii) other factors described in more detail in Caterpillar’s Forms 10-Q, 10-K and other filings with the Securities and Exchange Commission.

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## APPENDIX

### NON-GAAP FINANCIAL MEASURES

The following definitions are provided for the non-GAAP financial measures. These non-GAAP financial measures have no standardized meaning prescribed by U.S. GAAP and therefore are unlikely to be comparable to the calculation of similar measures for other companies. Management does not intend these items to be considered in isolation or as a substitute for the related GAAP measures.

### Adjusted Profit

The company believes it is important to separately quantify the profit impact of three significant items in order for the company's results to be meaningful to readers. These items consist of (i) pension and OPEB mark-to-market losses resulting from plan remeasurements, (ii) restructuring costs, which were incurred to generate longer-term benefits, and (iii) U.S. tax reform impact in 2019. The company does not consider these items indicative of earnings from ongoing business activities and believes the non-GAAP measure provides investors with useful perspective on underlying business results and trends and aids with assessing the company's period-over-period results.

Reconciliations of adjusted results to the most directly comparable GAAP measure are as follows:

(Dollars in millions except per share data)	Operating Profit	Operating Profit Margin	Profit Before Taxes	Provision (Benefit) for Income Taxes	Effective Tax Rate	Profit	Profit per Share
<b>Three Months Ended December 31, 2020 - US GAAP</b>	\$ 1,380	12.3 %	\$ 941	\$ 167	17.7 %	\$ 780	\$ 1.42
Pension/OPEB mark-to-market (gains) losses	—	— %	438	92	21.0 %	346	\$ 0.63
Restructuring costs	58	0.5 %	58	18	31.0 %	40	\$ 0.07
Three Months Ended December 31, 2020 - Adjusted	<u>\$ 1,438</u>	12.8 %	<u>\$ 1,437</u>	<u>\$ 277</u>	19.3 %	<u>\$ 1,166</u>	<u>\$ 2.12</u>
<b>Three Months Ended December 31, 2019 - US GAAP</b>	\$ 1,850	14.1 %	\$ 1,365	\$ 276	20.2 %	\$ 1,098	\$ 1.97
Pension/OPEB mark-to-market (gains) losses	—	— %	468	105	22.4 %	363	\$ 0.65
Restructuring costs	54	0.4 %	54	10	19.0 %	44	\$ 0.08
Three Months Ended December 31, 2019 - Adjusted	<u>\$ 1,904</u>	14.5 %	<u>\$ 1,887</u>	<u>\$ 391</u>	20.7 %	<u>\$ 1,505</u>	<u>\$ 2.71</u>
<b>Twelve Months Ended December 31, 2020 - US GAAP</b>	\$ 4,553	10.9 %	\$ 3,995	\$ 1,006	25.2 %	\$ 2,998	\$ 5.46
Pension/OPEB mark-to-market (gains) losses	—	— %	383	82	21.4 %	301	\$ 0.55
Restructuring costs	354	0.8 %	354	53	15.0 %	301	\$ 0.55
Twelve Months Ended December 31, 2020 - Adjusted	<u>\$ 4,907</u>	11.8 %	<u>\$ 4,732</u>	<u>\$ 1,141</u>	24.1 %	<u>\$ 3,600</u>	<u>\$ 6.56</u>
<b>Twelve Months Ended December 31, 2019 - US GAAP</b>	\$ 8,290	15.4 %	\$ 7,812	\$ 1,746	22.4 %	\$ 6,093	\$ 10.74
Pension/OPEB mark-to-market (gains) losses	—	— %	468	105	22.4 %	363	\$ 0.64
Restructuring costs	236	0.4 %	236	45	19.0 %	191	\$ 0.34
U.S. tax reform impact	—	— %	—	178	— %	(178)	\$ (0.31)
Twelve Months Ended December 31, 2019 - Adjusted	<u>\$ 8,526</u>	15.8 %	<u>\$ 8,516</u>	<u>\$ 2,074</u>	24.4 %	<u>\$ 6,469</u>	<u>\$ 11.40</u>

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**Supplemental Consolidating Data**

The company is providing supplemental consolidating data for the purpose of additional analysis. The data has been grouped as follows:

**Consolidated** – Caterpillar Inc. and its subsidiaries.

**Machinery, Energy & Transportation (ME&T)** – The company defines ME&T as it is presented in the supplemental data as Caterpillar Inc. and its subsidiaries, excluding Financial Products. ME&T's information relates to the design, manufacturing and marketing of its products.

**Financial Products** – The company defines Financial Products as it is presented in the supplemental data as its finance and insurance subsidiaries, primarily Caterpillar Financial Services Corporation (Cat Financial) and Caterpillar Insurance Holdings Inc. (Insurance Services). Financial Products' information relates to the financing to customers and dealers for the purchase and lease of Caterpillar and other equipment.

**Consolidating Adjustments** – Eliminations of transactions between ME&T and Financial Products.

The nature of the ME&T and Financial Products businesses is different, especially with regard to the financial position and cash flow items. Caterpillar management utilizes this presentation internally to highlight these differences. The company believes this presentation will assist readers in understanding its business.

Pages 16 to 26 reconcile ME&T and Financial Products to Caterpillar Inc. consolidated financial information.

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**Caterpillar Inc.**  
**Condensed Consolidated Statement of Results of Operations**  
**(Unaudited)**  
**(Dollars in millions except per share data)**

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
<b>Sales and revenues:</b>				
Sales of Machinery, Energy & Transportation	\$ 10,570	\$ 12,386	\$ 39,022	\$ 50,755
Revenues of Financial Products	665	758	2,726	3,045
Total sales and revenues	<u>11,235</u>	<u>13,144</u>	<u>41,748</u>	<u>53,800</u>
<b>Operating costs:</b>				
Cost of goods sold	7,784	9,117	29,082	36,630
Selling, general and administrative expenses	1,216	1,283	4,642	5,162
Research and development expenses	374	386	1,415	1,693
Interest expense of Financial Products	128	183	589	754
Other operating (income) expenses	353	325	1,467	1,271
Total operating costs	<u>9,855</u>	<u>11,294</u>	<u>37,195</u>	<u>45,510</u>
<b>Operating profit</b>	1,380	1,850	4,553	8,290
Interest expense excluding Financial Products	130	112	514	421
Other income (expense)	(309)	(373)	(44)	(57)
<b>Consolidated profit before taxes</b>	941	1,365	3,995	7,812
Provision (benefit) for income taxes	167	276	1,006	1,746
Profit of consolidated companies	<u>774</u>	<u>1,089</u>	<u>2,989</u>	<u>6,066</u>
Equity in profit (loss) of unconsolidated affiliated companies	6	8	14	28
<b>Profit of consolidated and affiliated companies</b>	780	1,097	3,003	6,094
Less: Profit (loss) attributable to noncontrolling interests	—	(1)	5	1
<b>Profit <sup>1</sup></b>	<u>\$ 780</u>	<u>\$ 1,098</u>	<u>\$ 2,998</u>	<u>\$ 6,093</u>
<hr/>				
<b>Profit per common share</b>	\$ 1.43	\$ 2.00	\$ 5.51	\$ 10.85
<b>Profit per common share — diluted <sup>2</sup></b>	\$ 1.42	\$ 1.97	\$ 5.46	\$ 10.74
<b>Weighted-average common shares outstanding (millions)</b>				
— Basic	544.5	550.3	544.1	561.6
— Diluted <sup>2</sup>	549.5	556.1	548.6	567.5

<sup>1</sup> Profit attributable to common shareholders.

<sup>2</sup> Diluted by assumed exercise of stock-based compensation awards using the treasury stock method.

(more)

**Caterpillar Inc.**  
**Condensed Consolidated Statement of Financial Position**  
**(Unaudited)**  
**(Millions of dollars)**

	<b>December 31, 2020</b>	<b>December 31, 2019</b>
<b>Assets</b>		
Current assets:		
Cash and short-term investments	\$ 9,352	\$ 8,284
Receivables – trade and other	7,317	8,568
Receivables – finance	9,463	9,336
Prepaid expenses and other current assets	1,930	1,739
Inventories	11,402	11,266
<b>Total current assets</b>	<b>39,464</b>	<b>39,193</b>
Property, plant and equipment – net	12,401	12,904
Long-term receivables – trade and other	1,185	1,193
Long-term receivables – finance	12,222	12,651
Noncurrent deferred and refundable income taxes	1,523	1,411
Intangible assets	1,308	1,565
Goodwill	6,394	6,196
Other assets	3,827	3,340
<b>Total assets</b>	<b>\$ 78,324</b>	<b>\$ 78,453</b>
<b>Liabilities</b>		
Current liabilities:		
Short-term borrowings:		
-- Machinery, Energy & Transportation	\$ 10	\$ 5
-- Financial Products	2,005	5,161
Accounts payable	6,128	5,957
Accrued expenses	3,642	3,750
Accrued wages, salaries and employee benefits	1,096	1,629
Customer advances	1,108	1,187
Dividends payable	562	567
Other current liabilities	2,017	2,155
Long-term debt due within one year:		
-- Machinery, Energy & Transportation	1,420	16
-- Financial Products	7,729	6,194
<b>Total current liabilities</b>	<b>25,717</b>	<b>26,621</b>
Long-term debt due after one year:		
-- Machinery, Energy & Transportation	9,749	9,141
-- Financial Products	16,250	17,140
Liability for postemployment benefits	6,872	6,599
Other liabilities	4,358	4,323
<b>Total liabilities</b>	<b>62,946</b>	<b>63,824</b>
<b>Shareholders' equity</b>		
Common stock	6,230	5,935
Treasury stock	(25,178)	(24,217)
Profit employed in the business	35,167	34,437
Accumulated other comprehensive income (loss)	(888)	(1,567)
Noncontrolling interests	47	41
<b>Total shareholders' equity</b>	<b>15,378</b>	<b>14,629</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 78,324</b>	<b>\$ 78,453</b>

(more)

**Caterpillar Inc.**  
**Condensed Consolidated Statement of Cash Flow**  
**(Unaudited)**  
**(Millions of dollars)**

	Twelve Months Ended December 31,	
	2020	2019
<b>Cash flow from operating activities:</b>		
Profit of consolidated and affiliated companies	\$ 3,003	\$ 6,094
Adjustments for non-cash items:		
Depreciation and amortization	2,432	2,577
Actuarial (gain) loss on pension and postretirement benefits	384	468
Provision (benefit) for deferred income taxes	(74)	28
Other	1,000	675
Changes in assets and liabilities, net of acquisitions and divestitures:		
Receivables – trade and other	1,442	171
Inventories	(34)	274
Accounts payable	98	(1,025)
Accrued expenses	(366)	172
Accrued wages, salaries and employee benefits	(544)	(757)
Customer advances	(126)	(10)
Other assets – net	(201)	(93)
Other liabilities – net	(687)	(1,662)
Net cash provided by (used for) operating activities	<u>6,327</u>	<u>6,912</u>
<b>Cash flow from investing activities:</b>		
Capital expenditures – excluding equipment leased to others	(978)	(1,056)
Expenditures for equipment leased to others	(1,137)	(1,613)
Proceeds from disposals of leased assets and property, plant and equipment	772	1,153
Additions to finance receivables	(12,385)	(12,777)
Collections of finance receivables	12,646	12,183
Proceeds from sale of finance receivables	42	235
Investments and acquisitions (net of cash acquired)	(111)	(47)
Proceeds from sale of businesses and investments (net of cash sold)	25	41
Proceeds from sale of securities	345	529
Investments in securities	(638)	(552)
Other – net	(66)	(24)
Net cash provided by (used for) investing activities	<u>(1,485)</u>	<u>(1,928)</u>
<b>Cash flow from financing activities:</b>		
Dividends paid	(2,243)	(2,132)
Common stock issued, including treasury shares reissued	229	238
Common shares repurchased	(1,130)	(4,047)
Proceeds from debt issued (original maturities greater than three months)	10,431	9,841
Payments on debt (original maturities greater than three months)	(8,237)	(8,297)
Short-term borrowings – net (original maturities three months or less)	(2,804)	(138)
Other – net	(1)	(3)
Net cash provided by (used for) financing activities	<u>(3,755)</u>	<u>(4,538)</u>
Effect of exchange rate changes on cash	(13)	(44)
<b>Increase (decrease) in cash and short-term investments and restricted cash</b>	<u>1,074</u>	<u>402</u>
Cash and short-term investments and restricted cash at beginning of period	8,292	7,890
Cash and short-term investments and restricted cash at end of period	<u>\$ 9,366</u>	<u>\$ 8,292</u>

*All short-term investments, which consist primarily of highly liquid investments with original maturities of three months or less, are considered to be cash equivalents.*

**Caterpillar Inc.**  
**Supplemental Data for Results of Operations**  
**For the Three Months Ended December 31, 2020**  
**(Unaudited)**  
**(Millions of dollars)**

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
<b>Sales and revenues:</b>				
Sales of Machinery, Energy & Transportation	\$ 10,570	\$ 10,570	\$ —	\$ —
Revenues of Financial Products	665	—	760	(95) <sup>1</sup>
Total sales and revenues	<u>11,235</u>	<u>10,570</u>	<u>760</u>	<u>(95)</u>
<b>Operating costs:</b>				
Cost of goods sold	7,784	7,786	—	(2) <sup>2</sup>
Selling, general and administrative expenses	1,216	1,048	174	(6) <sup>2</sup>
Research and development expenses	374	374	—	—
Interest expense of Financial Products	128	—	129	(1) <sup>3</sup>
Other operating (income) expenses	353	56	309	(12) <sup>2</sup>
Total operating costs	<u>9,855</u>	<u>9,264</u>	<u>612</u>	<u>(21)</u>
<b>Operating profit</b>	<b>1,380</b>	<b>1,306</b>	<b>148</b>	<b>(74)</b>
Interest expense excluding Financial Products	130	130	—	—
Other income (expense)	(309)	(122)	39	(226) <sup>4</sup>
<b>Consolidated profit before taxes</b>	<b>941</b>	<b>1,054</b>	<b>187</b>	<b>(300)</b>
Provision (benefit) for income taxes	167	133	34	—
Profit of consolidated companies	<u>774</u>	<u>921</u>	<u>153</u>	<u>(300)</u>
Equity in profit (loss) of unconsolidated affiliated companies	6	11	—	(5) <sup>5</sup>
<b>Profit of consolidated and affiliated companies</b>	<b>780</b>	<b>932</b>	<b>153</b>	<b>(305)</b>
Less: Profit (loss) attributable to noncontrolling interests	—	3	2	(5) <sup>6</sup>
<b>Profit <sup>7</sup></b>	<b><u>\$ 780</u></b>	<b><u>\$ 929</u></b>	<b><u>\$ 151</u></b>	<b><u>\$ (300)</u></b>

1 Elimination of Financial Products' revenues earned from ME&T.

2 Elimination of net expenses recorded by ME&T paid to Financial Products.

3 Elimination of interest expense recorded between Financial Products and ME&T.

4 Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

5 Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

6 Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

7 Profit attributable to common shareholders.

(more)

**Caterpillar Inc.**  
**Supplemental Data for Results of Operations**  
**For the Three Months Ended December 31, 2019**  
**(Unaudited)**  
**(Millions of dollars)**

	<b>Supplemental Consolidating Data</b>			
	<b>Consolidated</b>	<b>Machinery, Energy &amp; Transportation</b>	<b>Financial Products</b>	<b>Consolidating Adjustments</b>
<b>Sales and revenues:</b>				
Sales of Machinery, Energy & Transportation	\$ 12,386	\$ 12,386	\$ —	\$ —
Revenues of Financial Products	758	—	887	(129) <sup>1</sup>
Total sales and revenues	<u>13,144</u>	<u>12,386</u>	<u>887</u>	<u>(129)</u>
<b>Operating costs:</b>				
Cost of goods sold	9,117	9,119	—	(2) <sup>2</sup>
Selling, general and administrative expenses	1,283	1,120	173	(10) <sup>2</sup>
Research and development expenses	386	386	—	—
Interest expense of Financial Products	183	—	187	(4) <sup>3</sup>
Other operating (income) expenses	325	12	323	(10) <sup>2</sup>
Total operating costs	<u>11,294</u>	<u>10,637</u>	<u>683</u>	<u>(26)</u>
<b>Operating profit</b>	<b>1,850</b>	<b>1,749</b>	<b>204</b>	<b>(103)</b>
Interest expense excluding Financial Products	112	111	—	1 <sup>3</sup>
Other income (expense)	(373)	(464)	12	79 <sup>4</sup>
<b>Consolidated profit before taxes</b>	<b>1,365</b>	<b>1,174</b>	<b>216</b>	<b>(25)</b>
Provision (benefit) for income taxes	276	218	58	—
Profit of consolidated companies	<u>1,089</u>	<u>956</u>	<u>158</u>	<u>(25)</u>
Equity in profit (loss) of unconsolidated affiliated companies	8	13	—	(5) <sup>5</sup>
<b>Profit of consolidated and affiliated companies</b>	<b>1,097</b>	<b>969</b>	<b>158</b>	<b>(30)</b>
Less: Profit (loss) attributable to noncontrolling interests	(1)	(1)	5	(5) <sup>6</sup>
<b>Profit <sup>7</sup></b>	<b><u>\$ 1,098</u></b>	<b><u>\$ 970</u></b>	<b><u>\$ 153</u></b>	<b><u>\$ (25)</u></b>

<sup>1</sup> Elimination of Financial Products' revenues earned from ME&T.

<sup>2</sup> Elimination of net expenses recorded by ME&T paid to Financial Products.

<sup>3</sup> Elimination of interest expense recorded between Financial Products and ME&T.

<sup>4</sup> Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

<sup>5</sup> Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

<sup>6</sup> Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

<sup>7</sup> Profit attributable to common shareholders.

(more)

**Caterpillar Inc.**  
**Supplemental Data for Results of Operations**  
**For the Twelve Months Ended December 31, 2020**  
**(Unaudited)**  
**(Millions of dollars)**

	<b>Supplemental Consolidating Data</b>			
	<b>Consolidated</b>	<b>Machinery, Energy &amp; Transportation</b>	<b>Financial Products</b>	<b>Consolidating Adjustments</b>
<b>Sales and revenues:</b>				
Sales of Machinery, Energy & Transportation	\$ 39,022	\$ 39,022	\$ —	\$ —
Revenues of Financial Products	2,726	—	3,110	(384) <sup>1</sup>
Total sales and revenues	<u>41,748</u>	<u>39,022</u>	<u>3,110</u>	<u>(384)</u>
<b>Operating costs:</b>				
Cost of goods sold	29,082	29,088	—	(6) <sup>2</sup>
Selling, general and administrative expenses	4,642	3,915	746	(19) <sup>2</sup>
Research and development expenses	1,415	1,415	—	—
Interest expense of Financial Products	589	—	591	(2) <sup>3</sup>
Other operating (income) expenses	1,467	283	1,236	(52) <sup>2</sup>
Total operating costs	<u>37,195</u>	<u>34,701</u>	<u>2,573</u>	<u>(79)</u>
<b>Operating profit</b>	<b>4,553</b>	<b>4,321</b>	<b>537</b>	<b>(305)</b>
Interest expense excluding Financial Products	514	513	—	1 <sup>3</sup>
Other income (expense)	(44)	(62)	32	(14) <sup>4</sup>
<b>Consolidated profit before taxes</b>	<b>3,995</b>	<b>3,746</b>	<b>569</b>	<b>(320)</b>
Provision (benefit) for income taxes	1,006	853	153	—
Profit of consolidated companies	<u>2,989</u>	<u>2,893</u>	<u>416</u>	<u>(320)</u>
Equity in profit (loss) of unconsolidated affiliated companies	14	29	—	(15) <sup>5</sup>
<b>Profit of consolidated and affiliated companies</b>	<b>3,003</b>	<b>2,922</b>	<b>416</b>	<b>(335)</b>
Less: Profit (loss) attributable to noncontrolling interests	5	5	15	(15) <sup>6</sup>
<b>Profit <sup>7</sup></b>	<b><u>\$ 2,998</u></b>	<b><u>\$ 2,917</u></b>	<b><u>\$ 401</u></b>	<b><u>\$ (320)</u></b>

<sup>1</sup> Elimination of Financial Products' revenues earned from ME&T.

<sup>2</sup> Elimination of net expenses recorded by ME&T paid to Financial Products.

<sup>3</sup> Elimination of interest expense recorded between Financial Products and ME&T.

<sup>4</sup> Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

<sup>5</sup> Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

<sup>6</sup> Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

<sup>7</sup> Profit attributable to common shareholders.

(more)

**Caterpillar Inc.**  
**Supplemental Data for Results of Operations**  
**For the Twelve Months Ended December 31, 2019**  
**(Unaudited)**  
**(Millions of dollars)**

	<b>Supplemental Consolidating Data</b>			
	<b>Consolidated</b>	<b>Machinery, Energy &amp; Transportation</b>	<b>Financial Products</b>	<b>Consolidating Adjustments</b>
<b>Sales and revenues:</b>				
Sales of Machinery, Energy & Transportation	\$ 50,755	\$ 50,755	\$ —	\$ —
Revenues of Financial Products	3,045	—	3,571	(526) <sup>1</sup>
Total sales and revenues	<u>53,800</u>	<u>50,755</u>	<u>3,571</u>	<u>(526)</u>
<b>Operating costs:</b>				
Cost of goods sold	36,630	36,634	—	(4) <sup>2</sup>
Selling, general and administrative expenses	5,162	4,444	737	(19) <sup>2</sup>
Research and development expenses	1,693	1,693	—	—
Interest expense of Financial Products	754	—	786	(32) <sup>3</sup>
Other operating (income) expenses	1,271	14	1,297	(40) <sup>2</sup>
Total operating costs	<u>45,510</u>	<u>42,785</u>	<u>2,820</u>	<u>(95)</u>
<b>Operating profit</b>	<b>8,290</b>	<b>7,970</b>	<b>751</b>	<b>(431)</b>
Interest expense excluding Financial Products	421	429	—	(8) <sup>3</sup>
Other income (expense)	(57)	(535)	80	398 <sup>4</sup>
<b>Consolidated profit before taxes</b>	<b>7,812</b>	<b>7,006</b>	<b>831</b>	<b>(25)</b>
Provision (benefit) for income taxes	1,746	1,512	234	—
Profit of consolidated companies	<u>6,066</u>	<u>5,494</u>	<u>597</u>	<u>(25)</u>
Equity in profit (loss) of unconsolidated affiliated companies	28	49	—	(21) <sup>5</sup>
<b>Profit of consolidated and affiliated companies</b>	<b>6,094</b>	<b>5,543</b>	<b>597</b>	<b>(46)</b>
Less: Profit (loss) attributable to noncontrolling interests	1	—	22	(21) <sup>6</sup>
<b>Profit <sup>7</sup></b>	<b><u>\$ 6,093</u></b>	<b><u>\$ 5,543</u></b>	<b><u>\$ 575</u></b>	<b><u>\$ (25)</u></b>

1 Elimination of Financial Products' revenues earned from ME&T.

2 Elimination of net expenses recorded by ME&T paid to Financial Products.

3 Elimination of interest expense recorded between Financial Products and ME&T.

4 Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

5 Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

6 Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

7 Profit attributable to common shareholders.

(more)

**Caterpillar Inc.**  
**Supplemental Data for Financial Position**  
**At December 31, 2020**  
**(Unaudited)**  
**(Millions of dollars)**

	<b>Supplemental Consolidating Data</b>			
	<b>Consolidated</b>	<b>Machinery, Energy &amp; Transportation</b>	<b>Financial Products</b>	<b>Consolidating Adjustments</b>
<b>Assets</b>				
Current assets:				
Cash and short-term investments	\$ 9,352	\$ 8,822	\$ 530	\$ —
Receivables – trade and other	7,317	3,846	397	3,074 <sup>1,2</sup>
Receivables – finance	9,463	—	13,681	(4,218) <sup>2</sup>
Prepaid expenses and other current assets	1,930	1,376	624	(70) <sup>3</sup>
Inventories	11,402	11,402	—	—
<b>Total current assets</b>	<b>39,464</b>	<b>25,446</b>	<b>15,232</b>	<b>(1,214)</b>
Property, plant and equipment – net	12,401	8,309	4,092	—
Long-term receivables – trade and other	1,185	363	164	658 <sup>1,2</sup>
Long-term receivables – finance	12,222	—	12,895	(673) <sup>2</sup>
Noncurrent deferred and refundable income taxes	1,523	2,058	110	(645) <sup>4</sup>
Intangible assets	1,308	1,308	—	—
Goodwill	6,394	6,394	—	—
Other assets	3,827	3,158	1,871	(1,202) <sup>5</sup>
<b>Total assets</b>	<b>\$ 78,324</b>	<b>\$ 47,036</b>	<b>\$ 34,364</b>	<b>\$ (3,076)</b>
<b>Liabilities</b>				
Current liabilities:				
Short-term borrowings	\$ 2,015	\$ 10	\$ 2,005	\$ —
Short-term borrowings with consolidated companies	—	—	1,000	(1,000) <sup>6</sup>
Accounts payable	6,128	6,060	212	(144) <sup>7</sup>
Accrued expenses	3,642	3,099	543	—
Accrued wages, salaries and employee benefits	1,096	1,081	15	—
Customer advances	1,108	1,108	—	—
Dividends payable	562	562	—	—
Other current liabilities	2,017	1,530	580	(93) <sup>4,8</sup>
Long-term debt due within one year	9,149	1,420	7,729	—
<b>Total current liabilities</b>	<b>25,717</b>	<b>14,870</b>	<b>12,084</b>	<b>(1,237)</b>
Long-term debt due after one year	25,999	9,764	16,250	(15) <sup>6</sup>
Liability for postemployment benefits	6,872	6,872	—	—
Other liabilities	4,358	3,691	1,385	(718) <sup>4</sup>
<b>Total liabilities</b>	<b>62,946</b>	<b>35,197</b>	<b>29,719</b>	<b>(1,970)</b>
<b>Shareholders' equity</b>				
Common stock	6,230	6,230	919	(919) <sup>9</sup>
Treasury stock	(25,178)	(25,178)	—	—
Profit employed in the business	35,167	31,091	4,065	11 <sup>9</sup>
Accumulated other comprehensive income (loss)	(888)	(352)	(536)	—
Noncontrolling interests	47	48	197	(198) <sup>9</sup>
<b>Total shareholders' equity</b>	<b>15,378</b>	<b>11,839</b>	<b>4,645</b>	<b>(1,106)</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 78,324</b>	<b>\$ 47,036</b>	<b>\$ 34,364</b>	<b>\$ (3,076)</b>

1 Elimination of receivables between ME&T and Financial Products.

2 Reclassification of ME&T's trade receivables purchased by Financial Products and Financial Products' wholesale inventory receivables.

3 Elimination of ME&T's insurance premiums that are prepaid to Financial Products.

4 Reclassification reflecting required netting of deferred tax assets/liabilities by taxing jurisdiction.

5 Elimination of other intercompany assets between ME&T and Financial Products.

6 Elimination of debt between ME&T and Financial Products.

7 Elimination of payables between ME&T and Financial Products.

8 Elimination of prepaid insurance in Financial Products' other liabilities.

9 Eliminations associated with ME&T's investments in Financial Products' subsidiaries.

(more)

**Caterpillar Inc.**  
**Supplemental Data for Financial Position**  
**At December 31, 2019**  
**(Unaudited)**  
**(Millions of dollars)**

	<b>Supplemental Consolidating Data</b>			
	<b>Consolidated</b>	<b>Machinery, Energy &amp; Transportation</b>	<b>Financial Products</b>	<b>Consolidating Adjustments</b>
<b>Assets</b>				
Current assets:				
Cash and short-term investments	\$ 8,284	\$ 7,299	\$ 985	\$ —
Receivables – trade and other	8,568	3,737	451	4,380 <sup>1,2</sup>
Receivables – finance	9,336	—	14,489	(5,153) <sup>2</sup>
Prepaid expenses and other current assets	1,739	1,290	529	(80) <sup>3</sup>
Inventories	11,266	11,266	—	—
<b>Total current assets</b>	<b>39,193</b>	<b>23,592</b>	<b>16,454</b>	<b>(853)</b>
Property, plant and equipment – net	12,904	8,606	4,298	—
Long-term receivables – trade and other	1,193	348	152	693 <sup>1,2</sup>
Long-term receivables – finance	12,651	—	13,354	(703) <sup>2</sup>
Noncurrent deferred and refundable income taxes	1,411	2,002	117	(708) <sup>4</sup>
Intangible assets	1,565	1,565	—	—
Goodwill	6,196	6,196	—	—
Other assets	3,340	2,953	1,572	(1,185) <sup>5</sup>
<b>Total assets</b>	<b>\$ 78,453</b>	<b>\$ 45,262</b>	<b>\$ 35,947</b>	<b>\$ (2,756)</b>
<b>Liabilities</b>				
Current liabilities:				
Short-term borrowings	\$ 5,166	\$ 5	\$ 5,161	\$ —
Short-term borrowings with consolidated companies	—	—	600	(600) <sup>6</sup>
Accounts payable	5,957	5,918	212	(173) <sup>7</sup>
Accrued expenses	3,750	3,415	335	—
Accrued wages, salaries and employee benefits	1,629	1,580	49	—
Customer advances	1,187	1,187	—	—
Dividends payable	567	567	—	—
Other current liabilities	2,155	1,689	566	(100) <sup>4,8</sup>
Long-term debt due within one year	6,210	16	6,194	—
<b>Total current liabilities</b>	<b>26,621</b>	<b>14,377</b>	<b>13,117</b>	<b>(873)</b>
Long-term debt due after one year	26,281	9,151	17,140	(10) <sup>6</sup>
Liability for postemployment benefits	6,599	6,599	—	—
Other liabilities	4,323	3,681	1,430	(788) <sup>4</sup>
<b>Total liabilities</b>	<b>63,824</b>	<b>33,808</b>	<b>31,687</b>	<b>(1,671)</b>
<b>Shareholders' equity</b>				
Common stock	5,935	5,935	919	(919) <sup>9</sup>
Treasury stock	(24,217)	(24,217)	—	—
Profit employed in the business	34,437	30,434	3,997	6 <sup>9</sup>
Accumulated other comprehensive income (loss)	(1,567)	(739)	(828)	—
Noncontrolling interests	41	41	172	(172) <sup>9</sup>
<b>Total shareholders' equity</b>	<b>14,629</b>	<b>11,454</b>	<b>4,260</b>	<b>(1,085)</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 78,453</b>	<b>\$ 45,262</b>	<b>\$ 35,947</b>	<b>\$ (2,756)</b>

<sup>1</sup> Elimination of receivables between ME&T and Financial Products.

<sup>2</sup> Reclassification of ME&T's trade receivables purchased by Financial Products and Financial Products' wholesale inventory receivables.

<sup>3</sup> Elimination of ME&T's insurance premiums that are prepaid to Financial Products.

<sup>4</sup> Reclassification reflecting required netting of deferred tax assets/liabilities by taxing jurisdiction.

<sup>5</sup> Elimination of other intercompany assets between ME&T and Financial Products.

<sup>6</sup> Elimination of debt between ME&T and Financial Products.

<sup>7</sup> Elimination of payables between ME&T and Financial Products.

<sup>8</sup> Elimination of prepaid insurance in Financial Products' other liabilities.

<sup>9</sup> Eliminations associated with ME&T's investments in Financial Products' subsidiaries.

(more)

**Caterpillar Inc.**  
**Supplemental Data for Cash Flow**  
**For the Twelve Months Ended December 31, 2020**  
**(Unaudited)**  
**(Millions of dollars)**

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
<b>Cash flow from operating activities:</b>				
Profit of consolidated and affiliated companies	\$ 3,003	\$ 2,922	\$ 416	\$ (335) <sup>1,5</sup>
Adjustments for non-cash items:				
Depreciation and amortization	2,432	1,630	802	—
Actuarial (gain) loss on pension and postretirement benefits	384	384	—	—
Provision (benefit) for deferred income taxes	(74)	(85)	11	—
Other	1,000	613	98	289 <sup>2</sup>
Changes in assets and liabilities, net of acquisitions and divestitures:				
Receivables – trade and other	1,442	395	50	997 <sup>2,3</sup>
Inventories	(34)	(29)	—	(5) <sup>2</sup>
Accounts payable	98	51	18	29 <sup>2</sup>
Accrued expenses	(366)	(364)	(2)	—
Accrued wages, salaries and employee benefits	(544)	(510)	(34)	—
Customer advances	(126)	(126)	—	—
Other assets – net	(201)	(133)	(71)	3 <sup>2</sup>
Other liabilities – net	(687)	(694)	(23)	30 <sup>2</sup>
Net cash provided by (used for) operating activities	<u>6,327</u>	<u>4,054</u>	<u>1,265</u>	<u>1,008</u>
<b>Cash flow from investing activities:</b>				
Capital expenditures – excluding equipment leased to others	(978)	(976)	(14)	12 <sup>2</sup>
Expenditures for equipment leased to others	(1,137)	(18)	(1,139)	20 <sup>2</sup>
Proceeds from disposals of leased assets and property, plant and equipment	772	147	651	(26) <sup>2</sup>
Additions to finance receivables	(12,385)	—	(13,525)	1,140 <sup>3</sup>
Collections of finance receivables	12,646	—	14,077	(1,431) <sup>3</sup>
Net intercompany purchased receivables	—	—	1,043	(1,043) <sup>3</sup>
Proceeds from sale of finance receivables	42	—	42	—
Net intercompany borrowings	—	(401)	7	394 <sup>4</sup>
Investments and acquisitions (net of cash acquired)	(111)	(111)	—	—
Proceeds from sale of businesses and investments (net of cash sold)	25	25	—	—
Proceeds from sale of securities	345	24	321	—
Investments in securities	(638)	(21)	(617)	—
Other – net	(66)	(11)	(55)	—
Net cash provided by (used for) investing activities	<u>(1,485)</u>	<u>(1,342)</u>	<u>791</u>	<u>(934)</u>
<b>Cash flow from financing activities:</b>				
Dividends paid	(2,243)	(2,243)	(320)	320 <sup>5</sup>
Common stock issued, including treasury shares reissued	229	229	—	—
Common shares repurchased	(1,130)	(1,130)	—	—
Net intercompany borrowings	—	(7)	401	(394) <sup>4</sup>
Proceeds from debt issued > 90 days	10,431	1,991	8,440	—
Payments on debt > 90 days	(8,237)	(26)	(8,211)	—
Short-term borrowings – net < 90 days	(2,804)	5	(2,809)	—
Other – net	(1)	(1)	—	—
Net cash provided by (used for) financing activities	<u>(3,755)</u>	<u>(1,182)</u>	<u>(2,499)</u>	<u>(74)</u>
Effect of exchange rate changes on cash	(13)	(10)	(3)	—
<b>Increase (decrease) in cash and short-term investments and restricted cash</b>	<u>1,074</u>	<u>1,520</u>	<u>(446)</u>	<u>—</u>
Cash and short-term investments and restricted cash at beginning of period	8,292	7,302	990	—
Cash and short-term investments and restricted cash at end of period	<u>\$ 9,366</u>	<u>\$ 8,822</u>	<u>\$ 544</u>	<u>\$ —</u>

<sup>1</sup> Elimination of equity profit earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

<sup>2</sup> Elimination of non-cash adjustments and changes in assets and liabilities related to consolidated reporting.

<sup>3</sup> Reclassification of Financial Products' cash flow activity from investing to operating for receivables that arose from the sale of inventory.

<sup>4</sup> Elimination of net proceeds and payments to/from ME&T and Financial Products.

<sup>5</sup> Elimination of dividend activity between Financial Products and ME&T.

(more)

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**Caterpillar Inc.**  
**Supplemental Data for Cash Flow**  
**For the Twelve Months Ended December 31, 2019**  
**(Unaudited)**  
**(Millions of dollars)**

	<b>Supplemental Consolidating Data</b>			
	<b>Consolidated</b>	<b>Machinery, Energy &amp; Transportation</b>	<b>Financial Products</b>	<b>Consolidating Adjustments</b>
<b>Cash flow from operating activities:</b>				
Profit of consolidated and affiliated companies	\$ 6,094	\$ 5,543	\$ 597	\$ (46) <sup>1,5</sup>
Adjustments for non-cash items:				
Depreciation and amortization	2,577	1,713	864	—
Actuarial (gain) loss on pension and postretirement benefits	468	468	—	—
Provision (benefit) for deferred income taxes	28	15	13	—
Other	675	435	(215)	455 <sup>2</sup>
Changes in assets and liabilities, net of acquisitions and divestitures:				
Receivables – trade and other	171	4	15	152 <sup>2,3</sup>
Inventories	274	250	—	24 <sup>2</sup>
Accounts payable	(1,025)	(983)	20	(62) <sup>2</sup>
Accrued expenses	172	187	(13)	(2) <sup>2</sup>
Accrued wages, salaries and employee benefits	(757)	(772)	15	—
Customer advances	(10)	(8)	—	(2) <sup>2</sup>
Other assets – net	(93)	(166)	38	35 <sup>2</sup>
Other liabilities – net	(1,662)	(1,815)	169	(16) <sup>2</sup>
Net cash provided by (used for) operating activities	<u>6,912</u>	<u>4,871</u>	<u>1,503</u>	<u>538</u>
<b>Cash flow from investing activities:</b>				
Capital expenditures – excluding equipment leased to others	(1,056)	(1,036)	(20)	—
Expenditures for equipment leased to others	(1,613)	(38)	(1,616)	41 <sup>2</sup>
Proceeds from disposals of leased assets and property, plant and equipment	1,153	164	1,092	(103) <sup>2</sup>
Additions to finance receivables	(12,777)	—	(14,270)	1,493 <sup>3</sup>
Collections of finance receivables	12,183	—	13,537	(1,354) <sup>3</sup>
Net intercompany purchased receivables	—	—	640	(640) <sup>3</sup>
Proceeds from sale of finance receivables	235	—	235	—
Net intercompany borrowings	—	900	3	(903) <sup>4</sup>
Investments and acquisitions (net of cash acquired)	(47)	(47)	—	—
Proceeds from sale of businesses and investments (net of cash sold)	41	3	38	—
Proceeds from sale of securities	529	32	497	—
Investments in securities	(552)	(27)	(525)	—
Other – net	(24)	1	(25)	—
Net cash provided by (used for) investing activities	<u>(1,928)</u>	<u>(48)</u>	<u>(414)</u>	<u>(1,466)</u>
<b>Cash flow from financing activities:</b>				
Dividends paid	(2,132)	(2,132)	(25)	25 <sup>5</sup>
Common stock issued, including treasury shares reissued	238	238	—	—
Common shares repurchased	(4,047)	(4,047)	—	—
Net intercompany borrowings	—	(3)	(900)	903 <sup>4</sup>
Proceeds from debt issued > 90 days	9,841	1,479	8,362	—
Payments on debt > 90 days	(8,297)	(12)	(8,285)	—
Short-term borrowings – net < 90 days	(138)	5	(143)	—
Other – net	(3)	(3)	—	—
Net cash provided by (used for) financing activities	<u>(4,538)</u>	<u>(4,475)</u>	<u>(991)</u>	<u>928</u>
Effect of exchange rate changes on cash	(44)	(40)	(4)	—
<b>Increase (decrease) in cash and short-term investments and restricted cash</b>	<u>402</u>	<u>308</u>	<u>94</u>	<u>—</u>
Cash and short-term investments and restricted cash at beginning of period	7,890	6,994	896	—
Cash and short-term investments and restricted cash at end of period	<u>\$ 8,292</u>	<u>\$ 7,302</u>	<u>\$ 990</u>	<u>\$ —</u>

<sup>1</sup> Elimination of equity profit earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

<sup>2</sup> Elimination of non-cash adjustments and changes in assets and liabilities related to consolidated reporting.

<sup>3</sup> Reclassification of Financial Products' cash flow activity from investing to operating for receivables that arose from the sale of inventory.

<sup>4</sup> Elimination of net proceeds and payments to/from ME&T and Financial Products.

<sup>5</sup> Elimination of dividend activity between Financial Products and ME&T.

#

Caterpillar Inc. (“Caterpillar”, “we” or “our”) is furnishing supplemental information concerning (i) retail sales of machines to end users and (ii) retail sales of power systems (including reciprocating and turbine engines and locomotives) to end users and Original Equipment Manufacturers (“OEMs”). Caterpillar sells the majority of its machinery and power systems to independently owned and operated dealers and OEMs to meet the demands of their customers, the end users. Caterpillar believes that this supplemental information may help readers better understand Caterpillar’s business and the industries it serves, particularly in light of the time delay between Caterpillar’s sales to dealers and dealers’ sales to end users.

In this report, we are providing information by geographic region for retail sales of machines in each of our Resource Industries and Construction Industries reportable segments, as well as information regarding total retail sales of our machines globally. For our Energy & Transportation reportable segment, we are providing retail sales information by major end use.

The information presented in this report is primarily based on unaudited reports that are voluntarily provided to Caterpillar by its independent dealers and which are not subject to Caterpillar’s internal controls over financial reporting. Accordingly, the data collected from such third parties may not be accurate and/or complete. As such, the information presented in this report is intended solely to convey an approximate indication of the trends, direction and magnitude of retail sales and is not intended to be an estimate, approximation or prediction of, or substitute for, Caterpillar’s audited financial statements filed with the U.S. Securities and Exchange Commission. This information is furnished under this report with the U.S. Securities and Exchange Commission. Caterpillar does not undertake to update or adjust prior period information.

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**Caterpillar Inc.**  
**Rolling 3 Month Retail Sales Statistics**

<b>Total Machines</b>	<b>December 2020</b>	<b>November 2020</b>	<b>October 2020</b>
Asia/Pacific	Up 7%	Up 2%	Up 3%
EAME	Down 5%	Down 10%	Down 15%
Latin America	Up 31%	Up 8%	Down 7%
North America	Down 9%	Down 20%	Down 28%
World	Down 2%	Down 11%	Down 17%
<b>Resource Industries</b>	<b>December 2020</b>	<b>November 2020</b>	<b>October 2020</b>
Asia/Pacific	Down 18%	Down 17%	Down 14%
EAME	Up 1%	Unchanged	Down 20%
Latin America	Up 77%	Up 2%	Down 29%
North America	Down 13%	Down 25%	Down 44%
World	Down 3%	Down 13%	Down 29%
<b>Construction Industries</b>	<b>December 2020</b>	<b>November 2020</b>	<b>October 2020</b>
Asia/Pacific	Up 16%	Up 8%	Up 9%
EAME	Down 7%	Down 13%	Down 13%
Latin America	Up 11%	Up 10%	Up 6%
North America	Down 8%	Down 19%	Down 24%
World	Down 1%	Down 9%	Down 13%

Reported in constant dollars and based on unit sales as reported primarily by dealers.

**Energy & Transportation Retail Sales** by industry for the 3-month rolling period ended as of the month indicated compared with the same period of the prior year:

	<b>December 2020</b>	<b>November 2020</b>	<b>October 2020</b>
<b>Power Gen</b>	Down 10%	Down 9%	Down 6%
<b>Industrial</b>	Down 31%	Down 32%	Down 33%
<b>Transportation</b>	Down 47%	Down 49%	Down 38%
<b>Oil &amp; Gas</b>	Down 29%	Down 26%	Down 27%
<b>Total</b>	Down 25%	Down 24%	Down 22%

Reported in constant dollars based on reporting from dealers and direct sales.

## Glossary of Terms

**Construction Industries:** Our Construction Industries segment is primarily responsible for supporting customers using machinery in infrastructure, forestry and building construction. The majority of sales in this segment are made in the heavy and general construction, rental, quarry and aggregates markets and mining. The Construction Industries product portfolio primarily includes the following machines:

- asphalt pavers
- backhoe loaders
- compactors
- cold planers
- compact track and multi-terrain loaders
- mini, small, medium and large excavators
- forestry excavators
- motorgraders
- pipelayers
- road reclaimers
- site prep tractors
- skid steer loaders
- telehandlers
- small and medium track-type tractors
- track-type loaders
- wheel excavators
- compact, small and medium wheel loaders
- utility vehicles

Effective September 2019, Caterpillar has divested its Forestry product segment. Those products have been removed from the Construction Industries product portfolio where any remaining product Dealer Inventory will be reported in Total Machines as they are depleted.

**EAME:** Europe, Africa, Commonwealth of Independent States and Middle East

**Energy & Transportation:** Our Energy & Transportation segment is primarily responsible for supporting customers using reciprocating engines, turbines, diesel-electric locomotives, integrated systems and solutions, and related parts across industries serving oil and gas, power generation, industrial and marine applications as well as rail-related businesses.

**Resource Industries:** Our Resource Industries segment is primarily responsible for supporting customers using machinery in mining, quarry, waste and material handling applications. The Resource Industries product portfolio primarily includes the following machines:

- electric rope shovels
- draglines
- hydraulic shovels
- rotary drills
- hard rock vehicles
- large track-type tractors
- large mining trucks
- longwall miners
- large wheel loaders
- off-highway trucks
- articulated trucks
- wheel tractor scrapers
- wheel dozers
- landfill compactors
- soil compactors
- machinery components
- electronics and control systems
- select work tools
- hard rock continuous mining systems

For purposes of this report, retail sales of longwall miners are not included in the information presented above for Resource Industries or Total Machines.

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## **FORWARD-LOOKING STATEMENTS**

Certain statements in this report 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,” “forecast,” “target,” “guide,” “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) 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) inventory management decisions and sourcing practices of our dealers and our OEM customers; (x) a failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures or divestitures; (xi) union disputes or other employee relations issues; (xii) adverse effects of unexpected events; (xiii) disruptions or volatility in global financial markets limiting our sources of liquidity or the liquidity of our customers, dealers and suppliers; (xiv) 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; (xv) our Financial Products segment’s risks associated with the financial services industry; (xvi) changes in interest rates or market liquidity conditions; (xvii) an increase in delinquencies, repossessions or net losses of Cat Financial’s customers; (xviii) currency fluctuations; (xix) our or Cat Financial’s compliance with financial and other restrictive covenants in debt agreements; (xx) increased pension plan funding obligations; (xxi) alleged or actual violations of trade or anti-corruption laws and regulations; (xxii) additional tax expense or exposure, including the impact of U.S. tax reform; (xxiii) significant legal proceedings, claims, lawsuits or government investigations; (xxiv) new regulations or changes in financial services regulations; (xxv) compliance with environmental laws and regulations; (xxvi) the duration and geographic spread of, business disruptions caused by, and the overall global economic impact of, the COVID-19 pandemic; and (xxvii) other factors described in more detail in Caterpillar’s Forms 10-Q, 10-K and other filings with the Securities and Exchange Commission.