

# CATERPILLAR INC.

## 1Q 2019 Quarterly Financial Results

Below are key highlights from Caterpillar Inc.'s 1Q 2019 earnings results. For full financial results, please refer to the press release on Caterpillar's [Investor Relations site](http://www.caterpillar.com/investors). (<http://www.caterpillar.com/investors>)

### 2019 FIRST-QUARTER FINANCIAL RESULTS – KEY METRICS:

(\$ in billions except profit per share)	FIRST QUARTER	
	2019	2018
<b>Sales and Revenues</b>	\$13.5	\$12.9
<b>Profit Per Share</b>	\$3.25	\$2.74

### FIRST-QUARTER HIGHLIGHTS:

- First-quarter sales and revenues increased 5%
- Record first-quarter profit per share
- Repurchased \$751 million in company stock

### Comments on the first quarter from Caterpillar Chairman & CEO Jim Umpleby:

*"The global Caterpillar team delivered record first-quarter profit per share. We are executing our strategy for profitable growth by investing in services, expanding our offerings and improving operational excellence."*

### 2019 FULL-YEAR OUTLOOK:

	Current Outlook	Previous Outlook
<b>Profit Per Share</b>	\$12.06 – \$13.06	\$11.75 – \$12.75

### 2019 OUTLOOK HIGHLIGHTS:

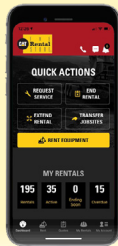
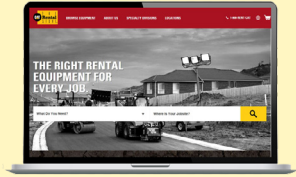
- Profit per share outlook now \$12.06 to \$13.06 due to a first-quarter discrete tax benefit of \$0.31 per share
- Caterpillar continues to have confidence in the fundamentals of its diverse end markets
- Expectations for 2019 performance are unchanged

FIRST-QUARTER NEWS & NOTES (Click each story to learn more)

STRATEGY IMPLEMENTATION



Services



**Digital tools**  
to support  
**Rental growth**

**Expanded Product Link™**  
**hardware** lines with PL161  
attachment locator



Expanded Offerings

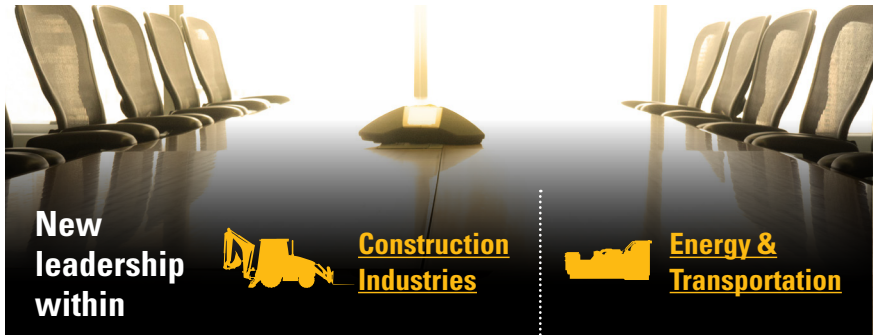


Continued leadership for  
emissions reductions with key  
product upgrades on

- ▶ **Mining Trucks**
- ▶ **Diesel Generators**
- ▶ **Marine applications**

PEOPLE NEWS

Chairman and  
CEO named  
**2019 International  
Executive  
of the Year**



New  
leadership  
within

**Construction  
Industries**

**Energy &  
Transportation**

BUILDING A BETTER WORLD



Named among **Fortune's World's  
Most Admired Companies®**  
for 18 consecutive years



**Celebrated  
World  
Water Day**

## 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 including natural disasters; (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; and (xxvi) other factors described in more detail in Caterpillar’s Forms 10-Q, 10-K and other filings with the Securities and Exchange Commission.

## 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 PER SHARE

The company believes it is important to separately quantify the profit impact of two significant items in order for the company’s results to be meaningful to readers. These items consist of a discrete tax benefit related to U.S. tax reform in the first quarter of 2019, and 2018 restructuring costs, which were incurred to generate longer-term benefits. 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. The company intends to discuss adjusted profit per share for the fourth quarter and full year 2019, excluding a mark-to-market gain or loss for remeasurement of pension and other postemployment benefit plans along with any other discrete items.

## Reconciliations of adjusted profit per share to the most directly comparable GAAP measure, diluted profit per share, are as follows:

	FIRST QUARTER		2019 OUTLOOK	
	2018	2019	Previous <sup>1</sup>	Current <sup>2</sup>
<b>Profit Per Share</b>	\$2.74	\$3.25	\$11.75 – \$12.75	\$12.06 – \$13.06
<b>Per share U.S. tax reform impact</b>	—	(\$0.31)	—	(\$0.31)
<b>Per share restructuring costs<sup>3</sup></b>	\$0.08	—	—	—
<b>Adjusted profit per share</b>	\$2.82	\$2.94	\$11.75 – \$12.75	\$11.75 – \$12.75

<sup>1</sup> Profit per share outlook range as of January 28, 2019.

<sup>2</sup> Profit per share outlook range as of April 24, 2019.

<sup>3</sup> At estimated annual tax rate of 24 percent. 2019 restructuring costs are not material.