

July 30, 2010

Caterpillar contact:

Kate Kenny
Corporate Public Affairs
309-636-5253
kenny_kate@cat.com

FOR IMMEDIATE RELEASE

**Caterpillar Continues Expansion of Mining Operations;
Announces New Facility in North Carolina**

Winston-Salem selected as site for the company's lower powertrain components facility

PEORIA, Ill. – Caterpillar Inc. (NYSE: CAT) is announcing the construction of a manufacturing and assembly facility in Winston-Salem, North Carolina, that will provide increased capacity for the company's expanding global mining operations. The company plans to construct an approximately 850,000 square foot state-of-the-art manufacturing facility for the machining, assembly, test and painting of axle assemblies for large mining machines.

“Caterpillar has worked hard with many local partners in North Carolina, and we thank them for their assistance during the site selection process,” said Hans Haefeli, Vice President of Caterpillar's Advanced Components & Systems Division. “We look forward to establishing our new lower powertrain facility in Winston-Salem, which will allow us to substantially increase our capacity, improve process capability, flexibility and flow of our operations. This location will improve our supply chain efficiency and, as a result, allows us to better serve our customers more effectively while reducing operating costs.”

The move is another element of Caterpillar's long-term strategy to increase mining truck capacity. The future North Carolina plant will allow the company to continue its expansion plans at some of its existing facilities around the world. Construction is expected to begin in early

(more)

November 2010, with production at the facility beginning in the first quarter 2012. When the plant is fully operational, it is expected to employ roughly 400 workers over a five-year period.

“Creating jobs is my top priority and this major investment by Caterpillar will be a tremendous benefit to the Triad and our state,” said North Carolina Governor Beverly Perdue. “Globally competitive companies realize our tremendous workforce, custom training programs and top-ranked business climate will allow them and their employees to thrive in North Carolina.”

Caterpillar currently employs roughly 1,000 full-time workers in North Carolina. The company has locations throughout the state in Cary, Charlotte, Clayton, Franklin, Goldsboro, Morganton, New Bern, Sanford and Smithfield.

About Caterpillar:

For more than 85 years, Caterpillar Inc. has been making progress possible and driving positive and sustainable change on every continent. With 2009 sales and revenues of \$32.396 billion, Caterpillar is the world’s leading manufacturer of construction and mining equipment, diesel and natural gas engines and industrial gas turbines. The company also is a leading services provider through Caterpillar Financial Services, Caterpillar Remanufacturing Services, Caterpillar Logistics Services and Progress Rail Services. More information is available at: <http://www.cat.com>.