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FOR IMMEDIATE RELEASE

**Caterpillar Foundation Partners with Water.org to Expand
WaterCredit in India, Indonesia**

More than 218,000 people to obtain access to water and sanitation facilities

PEORIA, Ill.—Caterpillar Inc. (NYSE:CAT) today announced that the Caterpillar Foundation and Water.org announced a \$3 million partnership to reach more than 218,000 people with clean water and sanitation over the next three years. The program will support a significant expansion of Water.org’s WaterCredit activities in India, and also fund a market assessment to explore the launch of WaterCredit in Indonesia for the first time. WaterCredit facilitates small loans for water and sanitation access for people living in poverty without access to these most basic necessities. A successful, market-based solution, WaterCredit is accelerating large-scale, sustainable progress against the water and sanitation crisis.

“We are honored to be working with the Caterpillar Foundation on this high-impact program,” said Water.org Chief Executive Officer and Co-Founder Gary White. “Because of Caterpillar’s generous support, we will reach more people with clean water and sanitation, at a faster rate, and at a decreasing philanthropic cost-per-person. Furthermore, we will also be able to attract divergent sources of capital to support lending in the water and sanitation sector in South Asia.”

(more)

“The Caterpillar Foundation supports a number of basic human needs programs in areas where Caterpillar has a presence,” said Caterpillar Corporate Public Affairs Director Jim Baumgartner. “The sustainability of Water.org’s model is really what drew us to WaterCredit. This program will provide clean water and sanitation facilities to thousands of families in India, but the cycle of progress will continue as the loans are repaid and these funds are provided to others in need.”

The Caterpillar Foundation grant will support two WaterCredit programs in India. This includes the expansion of a Revolving Loan Fund managed by one of Water.org’s local partners in Bangalore to provide an additional 8,000 households (about 38,400 people) with access to micro-loans for clean water and sanitation. Through this financial model, once a loan is repaid, it is then re-lent to the next person in need. The Caterpillar grant will also support Water.org’s work with its existing microfinance partners in Bangalore and Tamil Nadu, India. It will facilitate WaterCredit loans for sanitation purposes, enabling more than 180,000 residents to gain access to hygienic sanitation facilities such as household toilets. Finally, the Caterpillar Foundation grant will fund an initial market assessment in Indonesia by the Water.org team to assess and lay the groundwork for the launch of WaterCredit in Indonesia.

Since 2008, Water.org and its partners in India have used the power of WaterCredit to impact twice the number of people than could have been reached using other, more traditional approaches, all while reducing the philanthropic cost per person served by nearly 50 percent. Water.org’s program with the Caterpillar Foundation builds on this solid success.

About Caterpillar:

For more than 85 years, Caterpillar Inc. has been making sustainable progress possible and driving positive change on every continent. With 2010 sales and revenues of \$42.588 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 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.caterpillar.com>.

About the Caterpillar Foundation

The Caterpillar Foundation is the philanthropic arm of Caterpillar Inc., the world’s leading manufacturer of construction and mining equipment. Founded in 1952, the Caterpillar Foundation has contributed more than \$400 million to help make sustainable progress possible around the world by providing program support in the areas of

environmental sustainability, access to education and basic human needs. More information is available at www.caterpillar.com/foundation.

About Water.org

Water.org is a non-profit organization that has transformed thousands of communities in Africa, South Asia, and Central America by providing access to safe water and sanitation over the past 21 years. Founded by Matt Damon and Gary White, Water.org works with local partners to deliver innovative solutions for long-term success. Its microfinance-based WaterCredit Initiative is pioneering sustainable giving in the sector. Learn more and make a difference at www.water.org.

About WaterCredit

WaterCredit is an initiative of Water.org that puts microfinance tools to use in the water and sanitation sector. It is the first comprehensive program of its kind in the world that connects the microfinance, water and sanitation communities to scale up access to credit and capital for individual- and household-based water and sanitation needs across multiple countries. In turn, the WaterCredit partnership model and financing mechanisms serve to channel and redeploy financial resources more efficiently and effectively to enable increasing numbers of people to meet their drinking water and sanitation needs. Learn more at <http://watercredit.org> and <http://water.org/watercredit>.