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Caterpillar contact:

Jim Dugan  
Corporate Public Affairs  
309-494-4100  
[dugan\\_jim@cat.com](mailto:dugan_jim@cat.com)

Crystal Sui  
Corporate Public Affairs, Caterpillar China  
86 10 5921 0581  
[sui\\_crystal@cat.com](mailto:sui_crystal@cat.com)

FOR IMMEDIATE RELEASE

### **Caterpillar and Anqing CSSC Diesel Engine Establish Joint Venture to Produce Medium Speed Marine Engines in China**

BEIJING, People's Republic of China (PRC) – Caterpillar Inc. and Anqing CSSC Diesel Engine Co., Ltd. (ACD) announced today they have signed an agreement to form a joint venture that will manufacture MaK brand medium speed marine engines for China and the Asia Pacific region.

Over the years, Caterpillar has been offering an outstanding marine diesel power range and a complete, continuously evolving product line of Cat® and MaK brands to customers across the globe.

“This joint venture is the only JV of Caterpillar in the field of medium speed engines globally. The JV continues the Caterpillar strategy to develop partnerships with leading Chinese companies as we deploy our comprehensive business model in China.” said Richard Case, Caterpillar vice president with responsibility for the Marine & Petroleum Power Division. “The partnership will position Caterpillar to better compete and support its growing base of customers in China and across Asia.”

“CSSC has ranked second worldwide for five consecutive years in terms of the number of ships built. As a key supporting enterprise of CSSC, ACD achieved rapid growth during the 11th Five-Year Plan period.” said Tan Zuojun, General Manager of CSSC. “To partner with Caterpillar in creating the JV and introduce MaK product lines is conducive to the next-step development of ACD, especially in tapping the marine engineering market.”

“The JV will focus on improving production efficiency and management, lowering parts purchase cost, as well as expanding sales.” said ACD Chairman Zhang Haisen.

“When growing to a certain scale in the future, the JV and Caterpillar will develop new

models, and enhance the engineering capability of the JV, in an effort to support its sustainable development. ”

The joint venture will be located in Anqing, Anhui, and will produce MaK-brand M20 and M25 medium speed marine engines. It is expected to begin operations in mid 2012. Caterpillar Marine Trading Shanghai Ltd. will be responsible for product distribution, application engineering, after sales services and the aftermarket parts business.

“The 12th Five-Year Plan emphasizes the need to enhance the marine industry, particularly medium speed engines. This project directly supports that 12th Five-Year Plan objective.” said Kevin Thieneman, Caterpillar country manager for China. “We are committed to increasing the range of our products and components in China. In nearly four decades, Caterpillar has grown from a single office in Beijing to a comprehensive footprint, including 16 manufacturing facilities, 9 new facilities under construction, 4 Research & Development centers, 3 logistics and parts centers, 1 financial leasing company in China.” Today more than 20,000 people between Caterpillar and its independent dealer network work in China to support Caterpillar customers.

#### **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>.