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FOR IMMEDIATE RELEASE**Caterpillar Announces New Parts Distribution Center in California**

The California Distribution Center, part of a multiyear expansion and enhancement of the Cat parts distribution network, is expected to employ up to 150 people.

MORTON, Ill. – Caterpillar Logistics Inc. (Cat Logistics), a wholly owned subsidiary of Caterpillar Inc. (NYSE: CAT), today announced plans to further enhance the industry’s best global service parts distribution network with the addition of a new parts distribution center in California. The site is located in the Tejon Ranch Commerce Center at the junction of Interstate 5 and Highway 99 in Central California. With excellent accessibility to major airports and highways, this location will ensure rapid delivery of Cat service parts to dealers and customers. The new 400,000-square-foot facility will employ 100 to 150 people and is scheduled to be operational in late 2012.

The California Distribution Center and the new Spokane, Wash., facility announced earlier this year along with new facilities opened in Waco, Texas, and Clayton, Ohio, in 2009 and 2011 respectively, will represent a significant increase in capacity and capability for Caterpillar’s best-in-class service parts distribution network in the United States.

“This investment, part of a multiyear expansion and enhancement of the global Cat parts distribution network, demonstrates our deep commitment to Caterpillar customers. We are ensuring that our service parts distribution system serves customer needs better than any competitor, now and in the future,” explained Steve Larson, vice president of Caterpillar Inc. and chairman and president of Cat Logistics.

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Like the Spokane and Clayton facilities, the California facility will utilize Service Parts Management (SPM), a global solution that replaces multiple legacy software systems supporting the Cat parts network. Common systems and processes developed and optimized through previous facility implementations will be leveraged to maximize the efficiency of the start-up and ongoing operations.

“We’re pleased to welcome Caterpillar to the Tejon Ranch Commerce Center,” said Robert A. Stine, president and CEO of Tejon Ranch Co. “Caterpillar is an industry leader, and as such, will be in good company, joining the ranks of other world-class companies, like IKEA and Famous Footwear, who have located major distribution facilities at Tejon.”

Cat Logistics is also implementing network enhancements in Dubai, United Arab Emirates; Grimbergen, Belgium; Melbourne, Australia; and Shanghai, China, and has additional projects in the planning stage in key growth markets.

“Our focus on enhancing service parts distribution globally ensures that no matter where our customers are operating, Caterpillar and Cat dealers are there to provide the support they need to be successful,” added Larson.

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 and Progress Rail Services. More information is available at: <http://www.caterpillar.com>.

About Cat Logistics:

Caterpillar Logistics Inc. provides world-class supply chain solutions and services to its parent company, Caterpillar Inc., and more than 50 other leading corporations throughout the world. Headquartered in Morton, Illinois, Cat Logistics operates more than 108 offices and facilities in 23 countries on six continents. Cat Logistics, through its subsidiary Caterpillar Logistics Services LLC, provides its full service capabilities to companies in market sectors, which include automotive, industrial and aerospace service parts, consumer durables, technology, electronics and manufacturing logistics. More information is available at www.CatLogistics.com.

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. These statements are subject to known and unknown factors that may cause Caterpillar’s actual results to be different from those expressed or implied in the forward-looking statements. Words such as “believe,” “estimate,” “will

be,” “will,” “would,” “expect,” “anticipate,” “plan,” “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 Caterpillar does not undertake to update its forward-looking statements.

It is important to note that Caterpillar’s actual results may differ materially from those described or implied in its forward-looking statements based on a number of factors, including, but not limited to: (i) global economic conditions and economic conditions in the industries and markets Caterpillar serves; (ii) government monetary or fiscal policies and government spending on infrastructure; (iii) commodity or component price increases and/or limited availability of raw materials and component products, including steel; (iv) Caterpillar’s and its customers’, dealers’ and suppliers’ ability to access and manage liquidity; (v) political and economic risks associated with our global operations, including changes in laws, regulations or government policies, currency restrictions, restrictions on repatriation of earnings, burdensome tariffs or quotas, national and international conflict, including terrorist acts and political and economic instability or civil unrest in the countries in which Caterpillar operates; (vi) Caterpillar’s and Cat Financial’s ability to maintain their respective credit ratings, material increases in either company’s cost of borrowing or an inability of either company to access capital markets; (vii) financial condition and credit worthiness of Cat Financial’s customers; (viii) inability to realize expected benefits from acquisitions and divestitures, including the acquisition of Bucyrus International, Inc.; (ix) international trade and investment policies, such as import quotas, capital controls or tariffs; (x) the possibility that Caterpillar’s introduction of Tier 4 emissions compliant machines and engines is not successful; (xi) market acceptance of Caterpillar’s products and services; (xii) effects of changes in the competitive environment, which may include decreased market share, lack of acceptance of price increases, and/or negative changes to our geographic and product mix of sales; (xiii) union disputes or other employee relations issues; (xiv) Caterpillar’s ability to successfully implement the Caterpillar Production System or other productivity initiatives; (xv) adverse changes in sourcing practices of our dealers or original equipment manufacturers; (xvi) compliance costs associated with environmental laws and regulations; (xvii) alleged or actual violations of trade or anti-corruption laws and regulations; (xviii) additional tax expense or exposure; (xix) currency fluctuations, particularly increases and decreases in the U.S. dollar against other currencies; (xx) failure of Caterpillar or Cat Financial to comply with financial covenants in their respective credit facilities; (xxi) increased funding obligations under our pension plans; (xxii) significant legal proceedings, claims, lawsuits or investigations; (xxiii) imposition of operational restrictions or compliance requirements if carbon emissions legislation and/or regulations are adopted; (xxiv) changes in accounting standards or adoption of new accounting standards; (xxv) adverse effects of natural disasters; and (xxvi) other factors described in more detail under “Item 1A. Risk Factors” in Part I of our Form 10-K filed with the SEC on February 22, 2011 for the year ended December 31, 2010. This filing is available on our website at www.caterpillar.com/secfilings.