



May 5, 2010

Caterpillar Inc.

Bridget M. Young
Corporate Public Affairs
309.675.8463
Young_Bridget_M@cat.com

Caterpillar Logistics Services, Inc.

Linda Fairbanks
Cat Logistics Media Relations
309.266.4602
Fairbanks_Linda_S@cat.com

FOR IMMEDIATE RELEASE

**Caterpillar and Clayton Community Celebrate Construction Kick-Off for
New Parts Distribution Center**

MORTON, Ill – Building on the strength of one of the industry’s best global service parts distribution networks, Caterpillar Logistics Services, Inc. (Cat Logistics), a wholly owned subsidiary of Caterpillar Inc. (NYSE: CAT), today formally kicked off construction on a new parts distribution center in Clayton, Ohio. The new facility, known as the Clayton Distribution Center, will span more than one million square feet and is part of the multiyear expansion and enhancement of the North American Cat Parts distribution network.

“One of the key reasons customers buy Caterpillar products is the superior product support capability our dealers provide. We support that capability through the industry’s best parts distribution,” said Steve Larson, Vice President of Caterpillar Inc. and Chairman and President of Cat Logistics. “In 2009, we opened a new parts distribution center in Waco, Texas. That was the first step in our network expansion in North America, and we’re already seeing the benefits of increased capacity and velocity. The Clayton Distribution Center is the next step,

further optimizing the service parts supply chain and ensuring we deliver the outstanding parts service our customers expect.”

When fully staffed, the Clayton Distribution Center could employ up to 600 people, depending on market demand. The facility will provide inbound receiving capability close to suppliers and align outbound shipments for improved delivery to dealers and customers. This facility will be an important link in the parts distribution network and will primarily support five Cat dealers in the region – Ohio Cat, MacAllister, Michigan Cat, Walker Machinery and Whyne Supply.

Ohio Governor Ted Strickland joined Caterpillar in celebrating the commencement of construction for the new facility. “We’re making strategic investments in our growing industries like logistics and distribution to strengthen our business climate for businesses to grow and create Ohio jobs,” Strickland said. “Caterpillar is an innovative company that has a clear vision for continued growth and prosperity, and we’re proud to work with them on this important project for Clayton and the surrounding communities.”

Caterpillar anticipates posting some open job positions in the fourth quarter of 2010. Hiring should last into 2011 when construction is expected to be complete. Interested applicants can visit the Caterpillar recruiting Web site, www.JoinTeamCaterpillar.com, for more information.

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>.

About Cat Logistics:

Caterpillar Logistics Services, Inc. provides world-class supply chain solutions and services to its parent company, Caterpillar Inc., and more than 60 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 provides its full service capabilities to companies in a variety of market sectors, which include automotive, industrial and aerospace service parts, consumer durables, technology, electronics and manufacturing logistics. Cat Logistics also provides maintenance, repair and operations (MRO) logistics, and

transportation/network design consulting services. More information is available at www.CatLogistics.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this release relate to future events and expectations and, as such, constitute 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 actual results of Caterpillar Inc. 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 actual results of the company may differ materially from those described or implied in such forward-looking statements based on a number of factors, including, but not limited to: (i) economic volatility in the global economy generally and in capital and credit markets; (ii) Caterpillar’s ability to generate cash from operations, secure external funding for operations and manage liquidity needs; (iii) adverse changes in the economic conditions of the industries or markets Caterpillar serves; (iv) government regulations or policies, including those affecting interest rates, liquidity, access to capital and government spending on infrastructure development; (v) commodity price increases and/or limited availability of raw materials and component products, including steel; (vi) compliance costs associated with environmental laws and regulations; (vii) 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; (viii) financial condition and credit worthiness of Cat Financial’s customers; (ix) material adverse changes in our customers’ access to liquidity and capital; (x) market acceptance of Caterpillar’s products and services; (xi) 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; (xii) Caterpillar’s ability to successfully implement Caterpillar Production System or other productivity initiatives; (xiii) international trade and investment policies, such as import quotas, capital controls or tariffs; (xiv) failure of Caterpillar or Cat Financial to comply with financial covenants in their respective credit facilities; (xv) adverse changes in sourcing practices for our dealers or original equipment manufacturers; (xvi) additional tax expense or exposure; (xvii) 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; (xviii) currency fluctuations, particularly increases and decreases in the U.S. dollar against other currencies; (xix) increased payment obligations under our pension plans; (xx) inability to successfully integrate and realize expected benefits from acquisitions; (xxi) significant legal proceedings, claims, lawsuits or investigations; (xxii) imposition of significant costs or restrictions due to the enactment and implementation of health care reform legislation and proposed financial regulation legislation; (xxiii) changes in accounting standards or adoption of new accounting standards; (xxiv) adverse effects of natural disasters; and (xxv) 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 19, 2010 for the year ended December 31, 2009 and in Part II of our Form 10-Q filed with the SEC on May 3, 2010 for the quarter ended March 31, 2010. These filings are available on our website at www.cat.com/sec_filings.