Second Quarter 2015 Earnings Teleconference

July 28, 2015

Participants

Tom Linebarger	Chairman and Chief Executive Officer
Pat Ward	Vice President and Chief Financial Officer
Rich Freeland	President and Chief Operating Officer
Mark Smith	Vice President – Investor Relations

Disclosure Regarding Forward-Looking Statements

Information provided in this presentation that is not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our forecasts, expectations, hopes, beliefs and intentions on strategies regarding the future. Our actual future results could differ materially from those projected in such forward-looking statements because of a number of factors, including, but not limited to: the adoption and implementation of global emission standards; the price and availability of energy; the pace of infrastructure development; increasing global competition among our customers; general economic, business and financing conditions; governmental action; changes in our customers' business strategies; competitor pricing activity; expense volatility; labor relations; and other risks detailed from time to time in our Securities and Exchange Commission filings, particularly in the Risk Factors section of our 2014 Annual Report on Form 10-K. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are made only as of the date of this presentation and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. More detailed information about factors that may affect our performance may be found in our filings with the Securities and Exchange Commission, which are available at http://www.sec.gov or at http://www.cummins.com in the Investor Relations section of our website.

CMI Analyst Day

Tuesday, November 10, 2015

New York, NY

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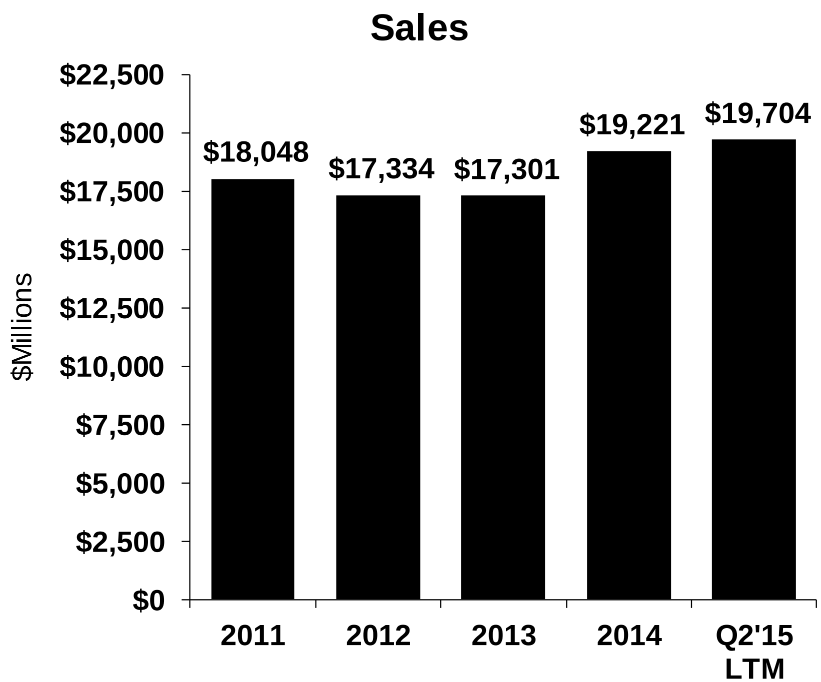
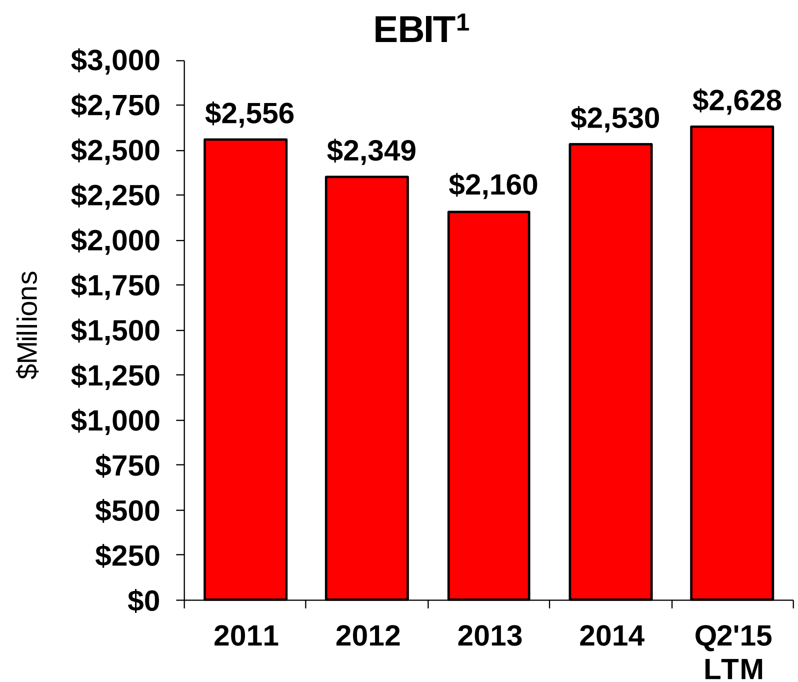
Cummins Inc.





2015 Guidance	
Sales Up 2 - 4%	EBIT 13.5 - 14.0%

[1] 2011 EBIT excludes the gains from the divesture of two businesses and flood insurance recovery. 2012 EBIT excludes $6 million pre-tax additional gain from the divestiture of two businesses in 2011 and $52 million in restructuring charges. 2014 EBIT excludes $32 million in operating actions within PGBU.

Cummins Inc.
Selected Financial Data

$M	Q2-15	Q2-14	Change
Sales	5,015	4,835	+4%
EBIT	721	657	+10%
% of Sales	14.4%	13.6%	
ROANA (LTM)	27%	25%	
ROE (LTM)	20%	20%	

- Higher revenues were driven by increased demand in North American on-highway markets and from acquisitions in our distribution business.
- Incremental EBIT margin was 36%, reflecting strong operating performance.

Joint Venture Income

$M	Q2-15	Q2-14
Engine	57	45
Distribution	21	42
Components	8	9
Power Generation	8	9
Total JV Income	94	105

- Joint venture earnings decreased due to the impact of acquiring our North American distributors, previously held as joint ventures, which offset an increase in earnings in China.

Cummins Inc.
Selected Income Statement Data

$M	Q2-15	Q2-14
Net Income Attributable to CMI	471	446
Diluted EPS	2.62	2.43
Gross Margin (% of Sales)	26.6%	24.9%
SAR (% of Sales)	14.0%	14.3%

- Strong operating leverage on higher volumes and lower material costs were the primary drivers of the improved gross margin which more than offset the negative impact from currency.

Engine Segment
Selected Financial Data

$M	Q2-15	Q2-14	Change
Sales	2,797	2,744	+2%
EBIT	341	311	+10%
% of Sales	12.2%	11.3%	

- Revenue growth from strong demand in the North American on-highway markets, partially offset by weaker demand in global industrial markets.
- EBIT increased from a year ago primarily driven by lower material costs, lower operating costs, and increased JV earnings.

Engine Segment
Sales by Market – On-highway

$M	Q2-15	Q2-14	Change
Heavy-Duty Truck	875	769	+14%
Medium-Duty Truck & Bus	674	605	+11%
Light-Duty Automotive	354	392	-10%

- **Heavy Duty Truck:** An increase in North American revenues were partially offset by weaker international demand.
- **Medium-Duty Truck & Bus:** Higher North American truck and global bus sales were partially offset by weaker international truck demand.
- **Light-Duty Automotive:** Weaker demand in Brazil and lower aftermarket.

Sales by market reflects the Engine segment reorganization made in the first quarter of 2015.

Engine Segment
Sales by Market – Off-highway

$M	Q2-15	Q2-14	Change
Industrial	624	739	-16%
Stationary Power	270	239	+13%

- **Industrial:** Revenues were down primarily due to lower demand in construction and marine markets.
- **Stationary Power**: Revenues increased as a result of favorable product mix and parts sales.

Sales by market reflects the Engine segment reorganization made in the first quarter of 2015.

Guidance for 2015 Engine Markets

Revenue by market (including aftermarket):

- Heavy-duty truck revenue up 8% due to strong demand in North America, partially offset by lower international revenues.
- Medium-duty truck & bus revenue up 6% due to improvements in global bus markets and stronger North America truck market share.
- Light-duty automotive down 2%, unchanged from prior guidance.
- Industrial market revenues expected to decline 12% as a result of lower demand in commercial marine, construction, and mining.

Key On-Highway Engine Markets - 2015

Key Market	2014 Actual	2015 Forecast	Change Market Size
Heavy Duty Truck – NAFTA *Class 8, Group 2 - Production*	268K units	290K units	Up 8%
Medium Duty Truck – NAFTA *Class 6 – 7, and Class 8 Group 1 - Production*	124K units	128K units	Up 4%
Heavy & Medium Truck – China *Sales*	992K units	700K units	Down 30%
Heavy & Medium Truck – India *Production*	249K units	305K units	Up 22%
Heavy & Medium Truck – Brazil *Production*	139K units	70K units	Down 50%

Distribution Segment
Selected Financial Data

$M	Q2-15	Q2-14	Change
Sales	1,495	1,238	+21%
EBIT	113	126	-10%
% of Sales	7.6%	10.2%	

- Acquisitions added 26 percent to segment revenues while currency negatively impacted sales by 6 percent.
- EBIT margin improvements in existing operations were more than offset by the unfavorable foreign currency movements and the dilutive impact on segment margins of the distributor acquisitions.

Components Segment
Selected Financial Data

$M	Q2-15	Q2-14	Change
Sales	1,397	1,280	+9%
EBIT	223	185	+21%
% of Sales	16.0%	14.5%	

- Higher revenues were primarily driven by increased demand in North American on-highway markets and sales of new products in China.
- Strong operating leverage on higher sales and benefits from material cost reduction initiatives helped drive the EBIT margin improvement.

Power Generation Segment
Selected Financial Data

$M	Q2-15	Q2-14	Change
Sales	747	743	+1%
EBIT	57	61	-7%
% of Sales	7.6%	8.2%	

- Year-over-year, international sales increased, offsetting lower sales in North America and a 4 percent reduction in revenues resulting from currency movements.
- The decrease in EBIT margin was due to the negative impact of currency movements and lower pricing, which offset the benefits of cost reductions actions.

Guidance for 2015 Consolidated Results

Item	Full Year Guidance
Consolidated Revenue	Up 2 - 4%
Earnings from JVs	Down 15%
EBIT Margin	13.5 - 14.0%
Effective Tax Rate[1]	29.5%
Capital Expenditures	$700 - $800M
Global Pension Funding	$175M
Interest Expense	$70M

[1]Excluding discrete income tax items

Guidance for 2015 Segment Results

Item	Engine	Distribution	Components	Power Generation
Consolidated Revenue Growth	Flat to Up 2%	Up 20 - 24%	Up 4 - 8%	Flat to Down 4%
EBIT Margins (% of Revenue)	11.0 - 12.0%	7.0 - 8.0%	14.5 -15.5%	7.0 - 8.0%

Cash Flow

$M	Q2-15	Q2-14
Operating Cash Inflow	396	438
Capital Expenditures	147	138
Working Capital Measure	4,434	4,028
Working Capital Measure *(% of Annualized Net Sales)*	22.1%	20.8%
Debt to Capital %	17.0%	17.2%

Thank You for Your Interest in

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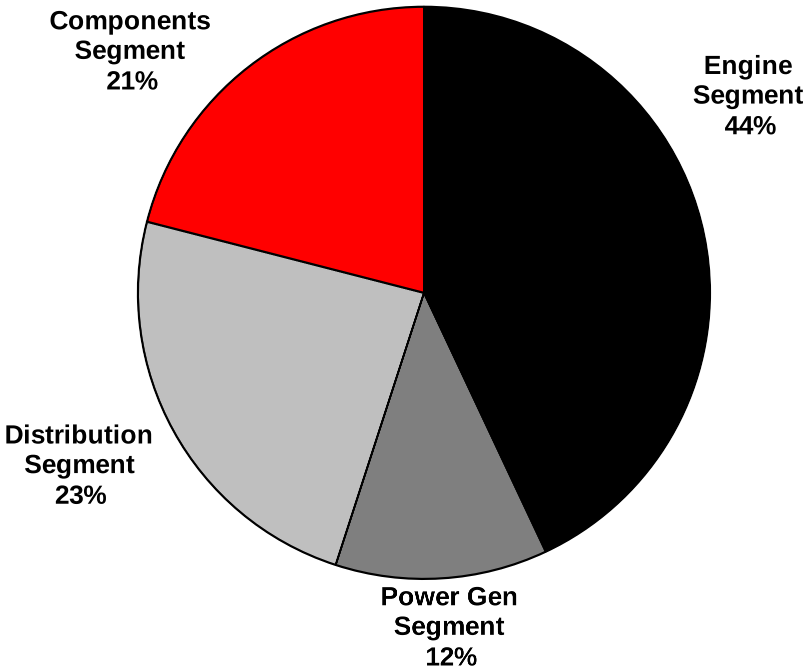
Appendix

Cummins Inc.

- Strong product portfolio and global partners
- Macro growth trends play to Cummins' strengths
- Disciplined investment for growth
- Demonstrated technology leadership

Q2'15 LTM Data
Sales: $19.7 billion
EBIT[1]: $2.6 billion
EBIT%: 13.3%

Q2'15 LTM Revenue by Segment

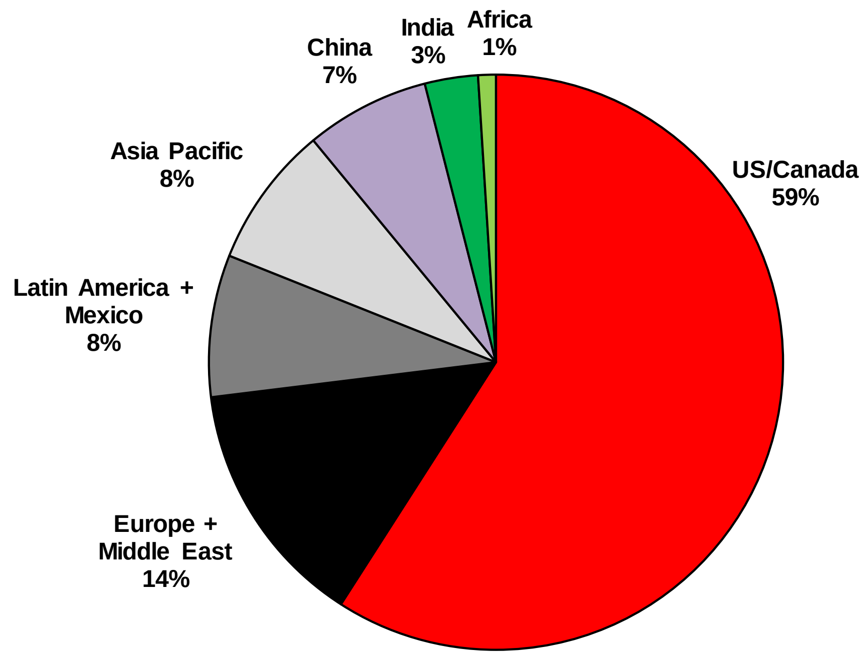


[1] Q4'14 EBIT excludes $32 million in one-time charges.

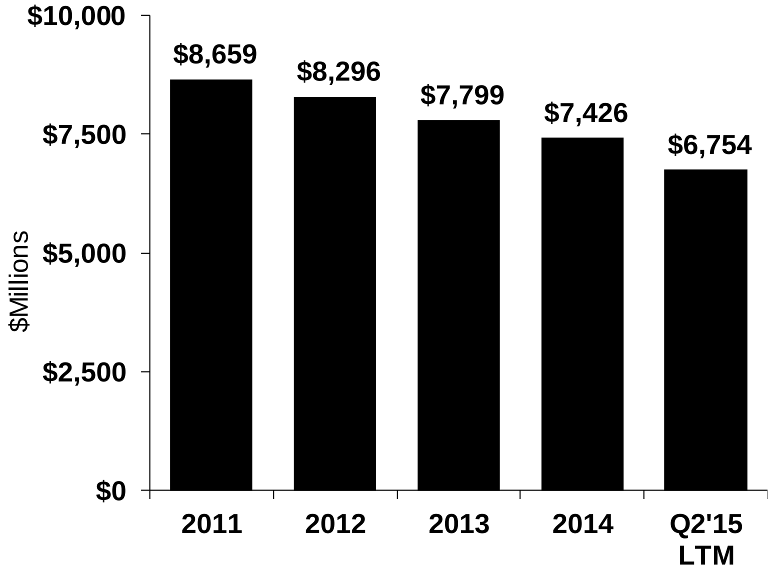
Cummins Inc.

- Capitalizing on global emission regulations
- Strong geographic diversification and leadership across multiple end-markets
- Global distribution network with presence in more than 190 countries and territories.

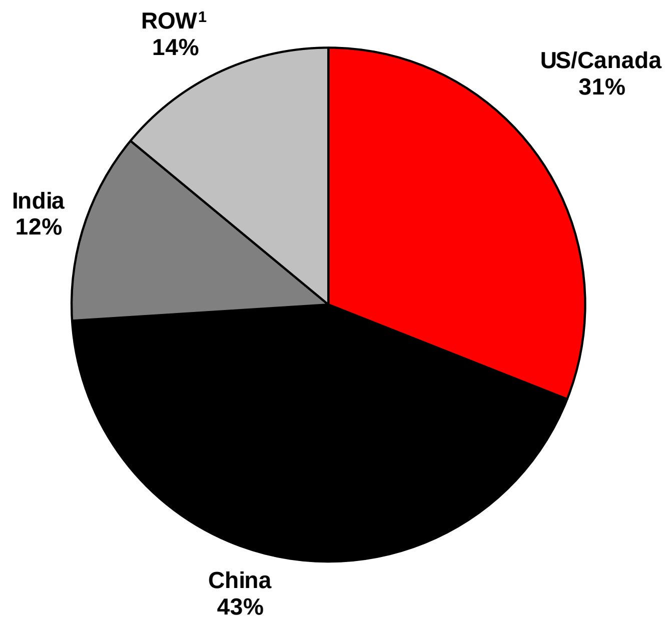
Q2'15 LTM Revenue by Marketing Territory



Cummins – Joint Venture Sales Unconsolidated



Q2'15 LTM Revenue



- The acquisition of North American distributors, previously held as joint ventures, is the primary driver of a decline in revenues.

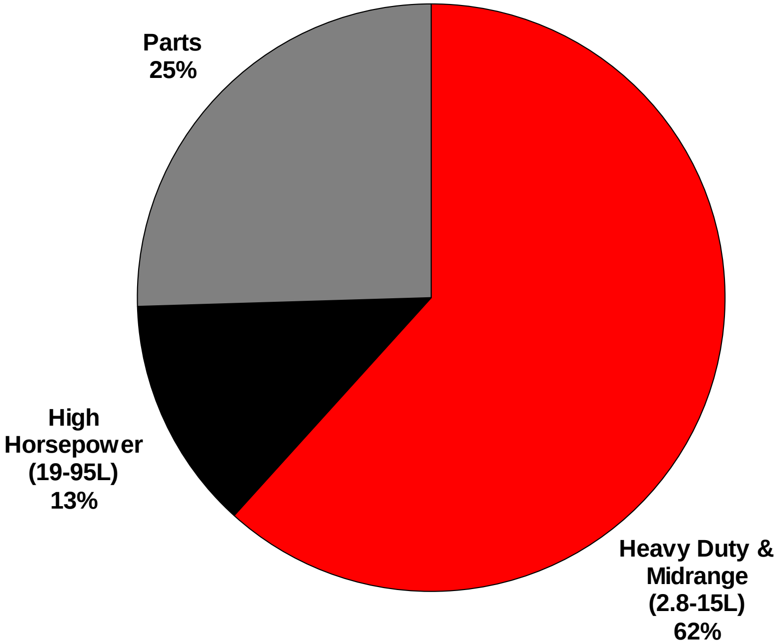
[1] ROW = Rest of World

Engine Segment – Overview

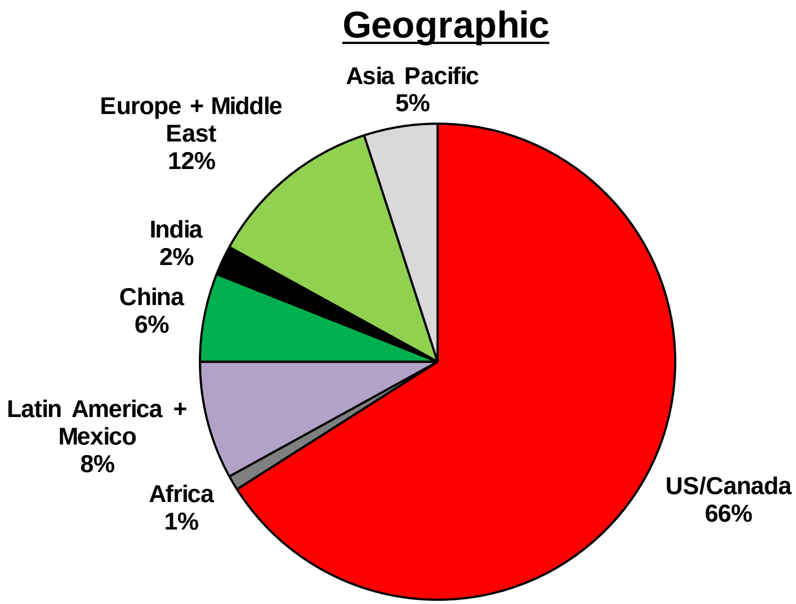
- Diesel and Natural gas engines from 2.8L to 95L and 49 hp to 5,100 hp
- Long-term engine supply agreements with key customers to stabilize pricing and to jointly engineer better integrated vehicles to market
- Leading market share in multiple end-markets and geographies

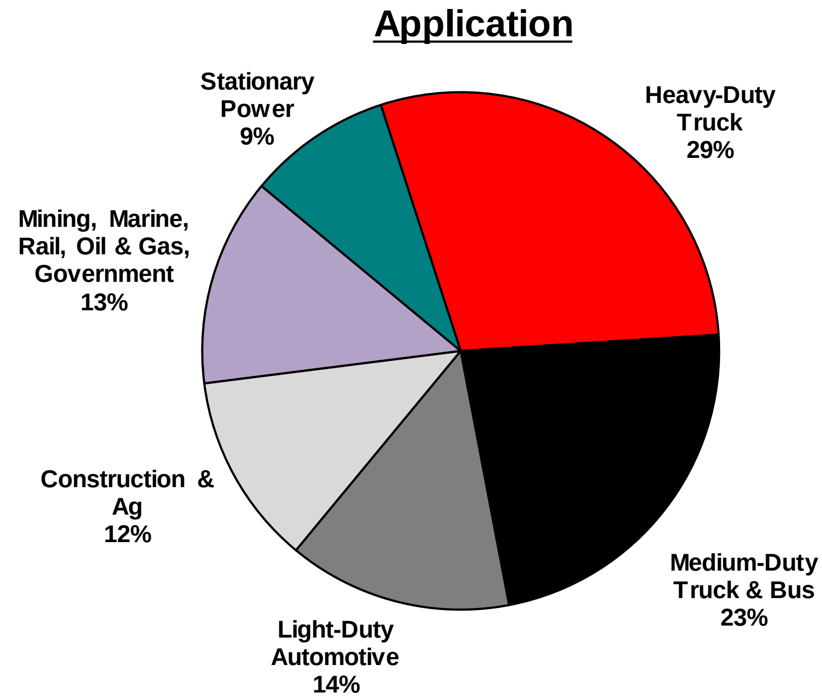
Q2'15 LTM Data
Sales: $11.0 billion
EBIT: $1.2 billion
EBIT% : 11.2%

Q2'15 LTM Revenue by Product



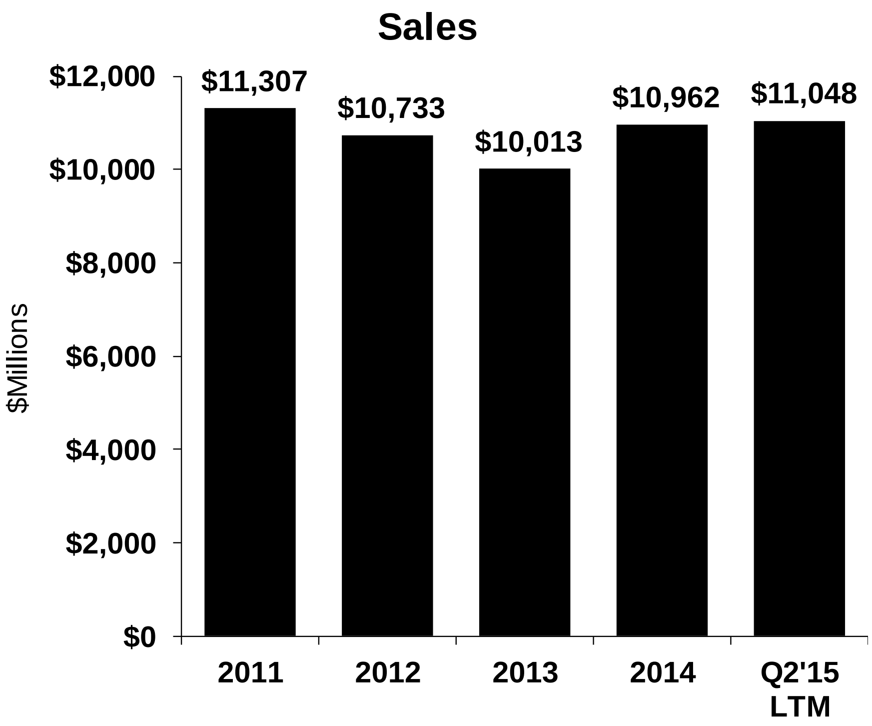
Engine Segment – Sales Mix

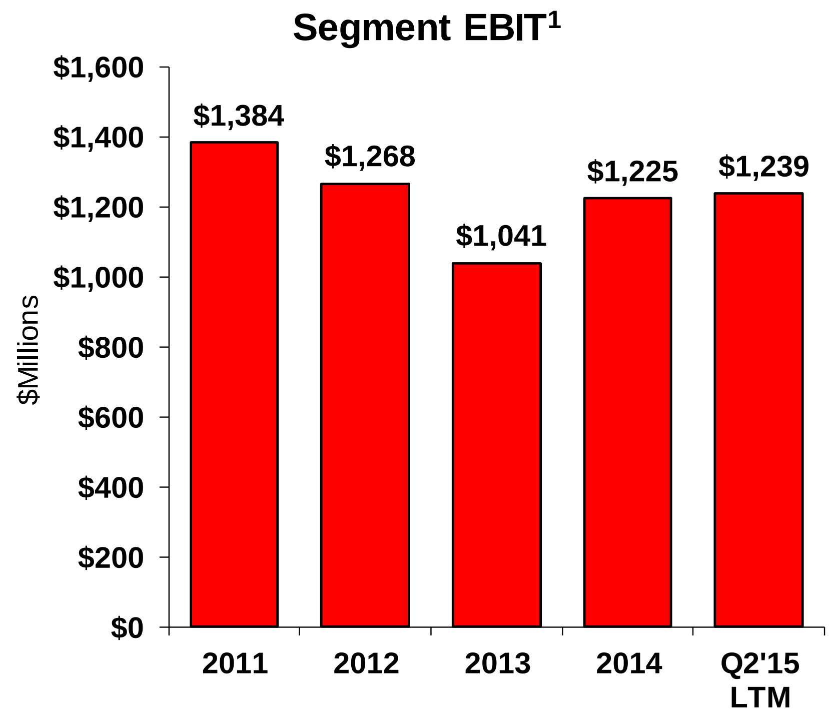




Q2'15 LTM Revenue: $11.0 B

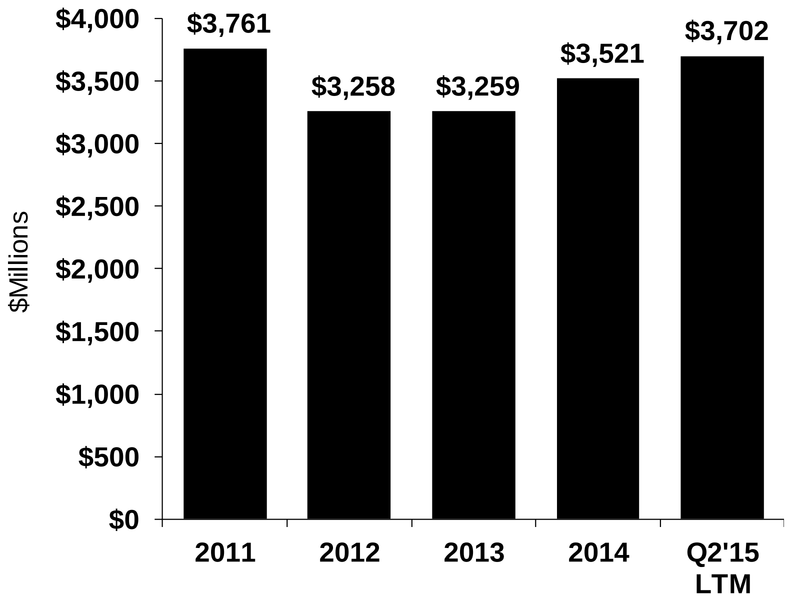
Engine Segment – Historical Performance

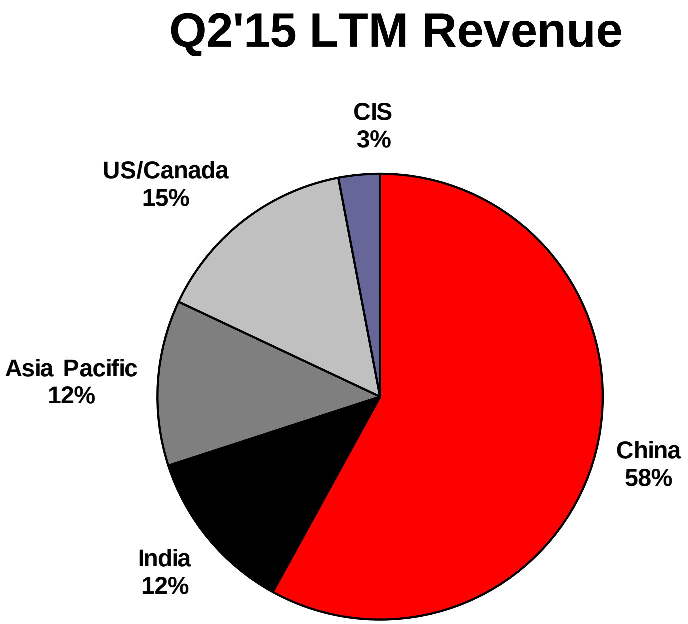




[1] 2012 EBIT excludes $20 million in restructuring charges.

Engine Segment – Joint Venture Sales Unconsolidated





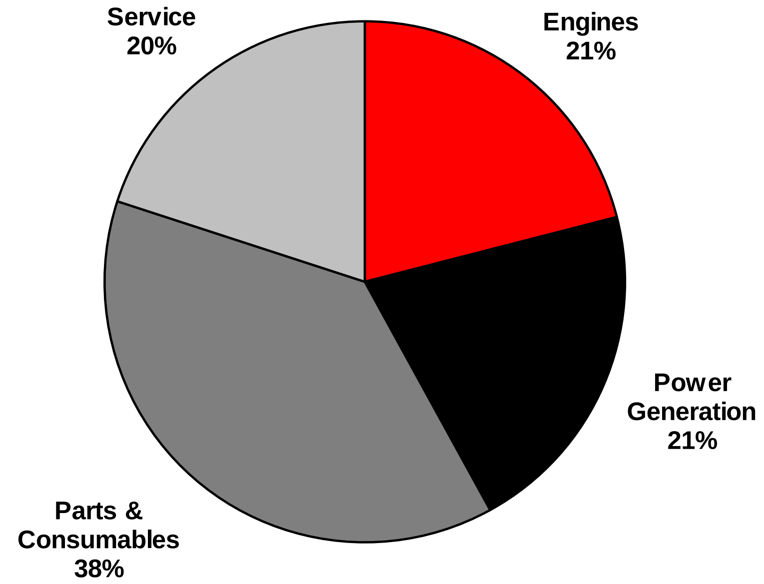
Distribution Segment – Overview

- Provide aftermarket support and increase solution-based revenue
- Acquiring our North American distributors
- Increasing network capabilities in emerging markets to capture profitable growth

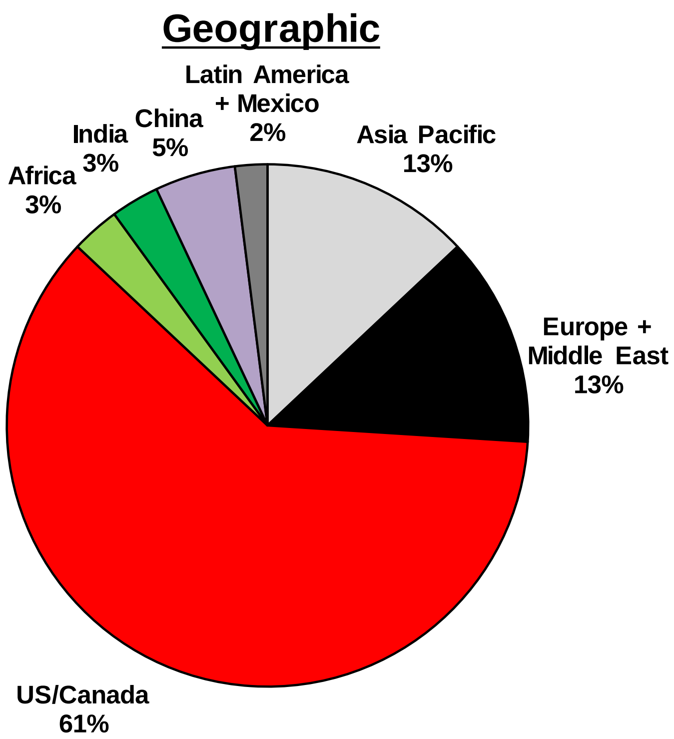
Q2'15 LTM Data
Sales: $6.0 billion
EBIT: $490 million
EBIT%: 8.2%

Q2'15 LTM Revenue

Application



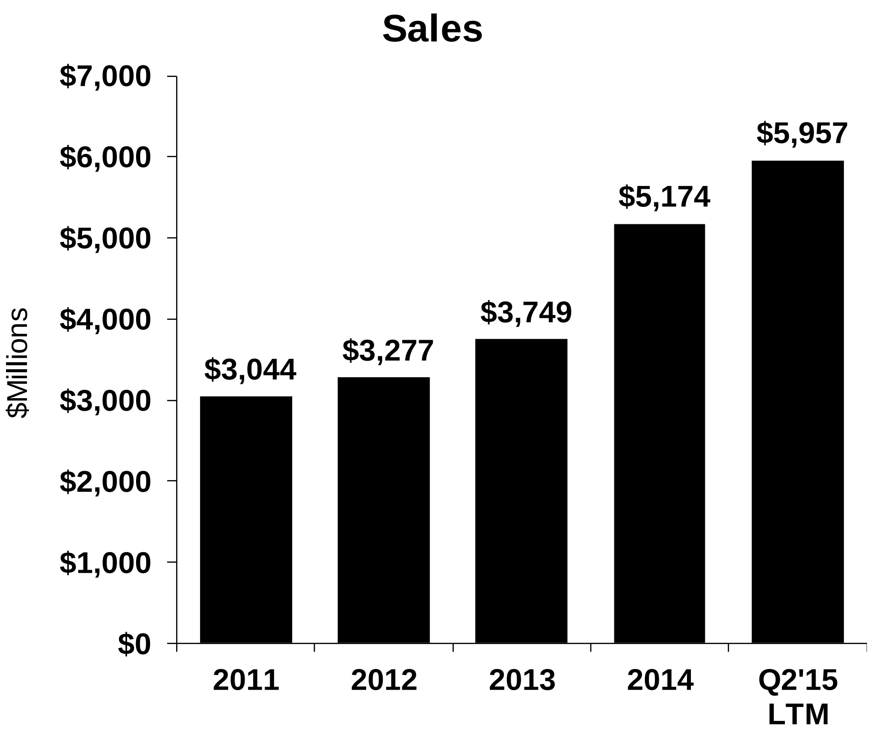
Distribution Segment – Sales Mix

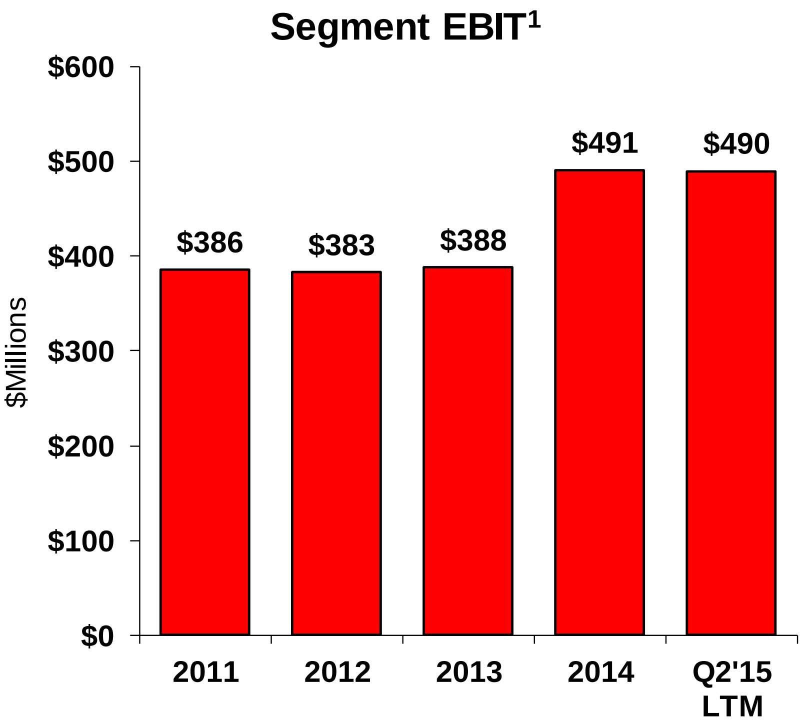


- Key enabler for Cummins growth
- Benefitting from increased population of product in the field
- International sales growth

Q2'15 LTM Revenue: $6.0 B

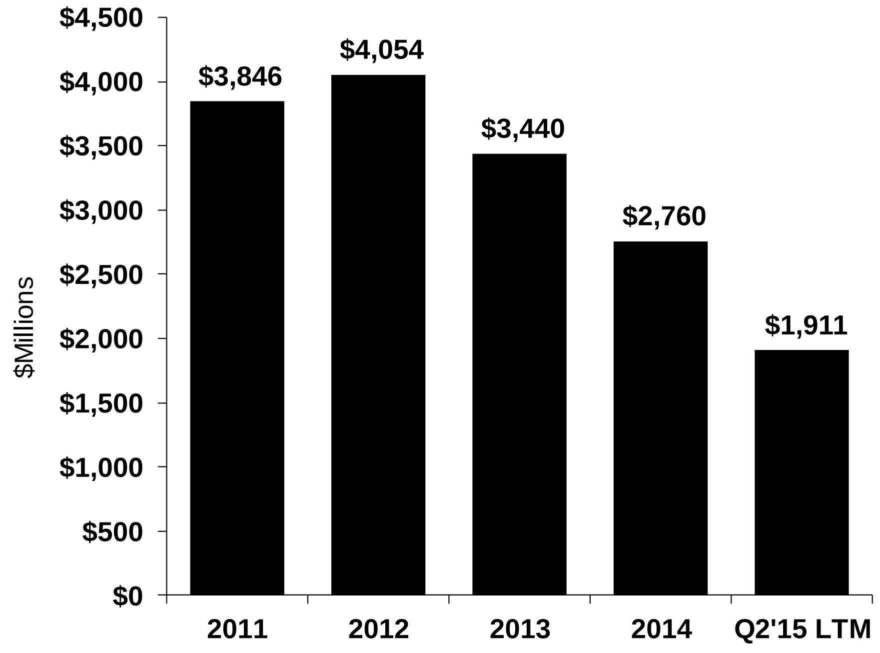
Distribution – Historical Performance



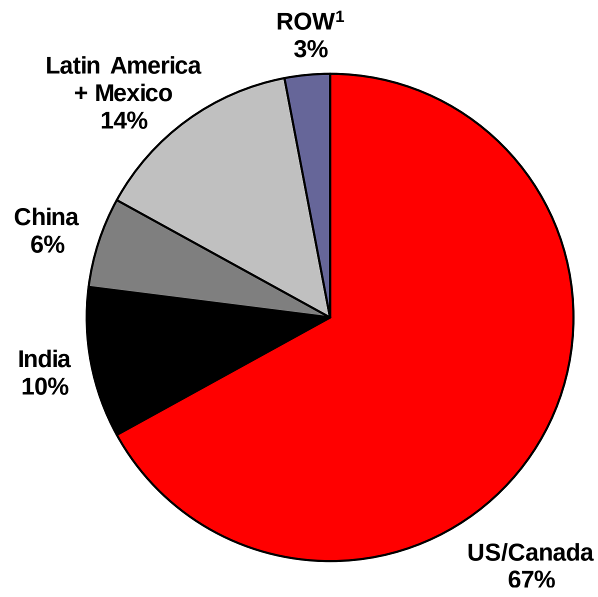


[1] 2012 EBIT excludes $14 million in restructuring charges.

Distribution Segment – Joint Venture Sales Unconsolidated



Q2'15 LTM Revenue



- The acquisition of North American distributors, previously held as joint ventures, is the primary driver of a decline in revenues.

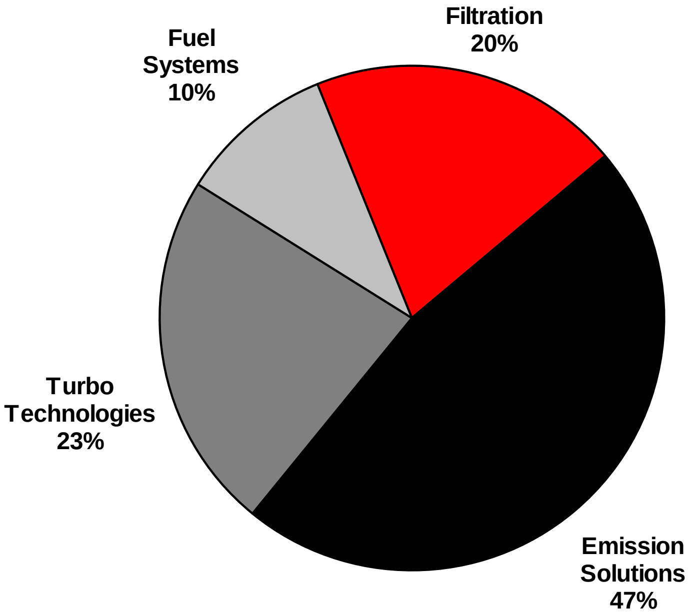
[1] ROW = Rest of World

Components Segment – Overview

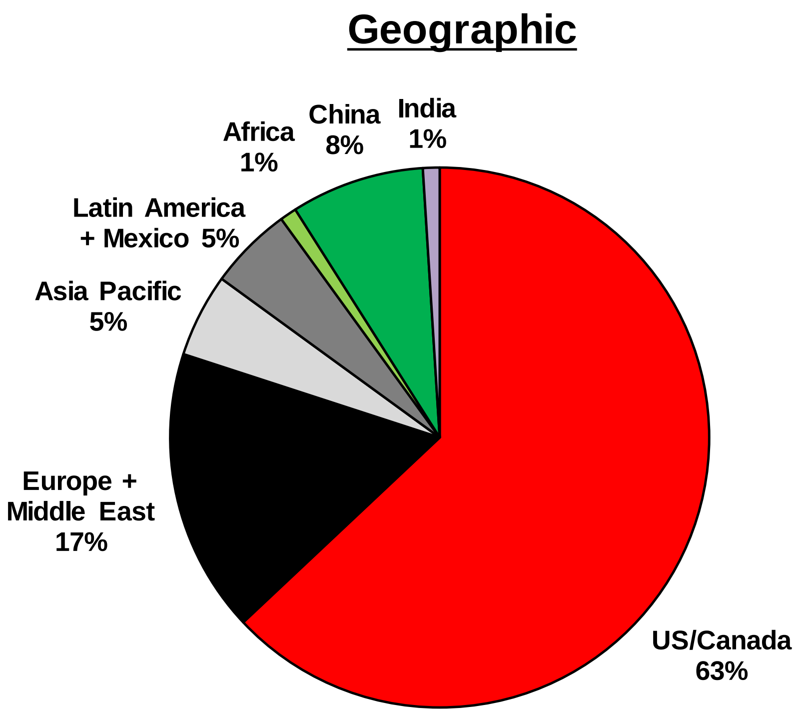
- Leading supplier of aftertreatment products for commercial vehicle applications
- Largest worldwide supplier of turbochargers from 3.8L to 25L for commercial applications
- World’s leading supplier of filtration, coolant and chemical products

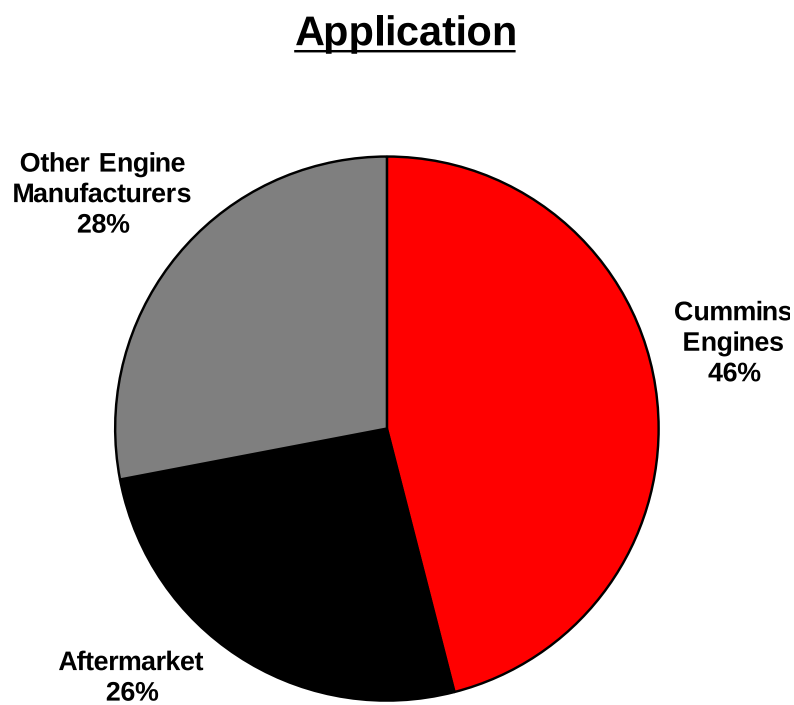
Q2'15 LTM Data
Sales: $5.3 billion
EBIT: $750 million
EBIT%: 14.1%

Q2'15 LTM Revenue by Business



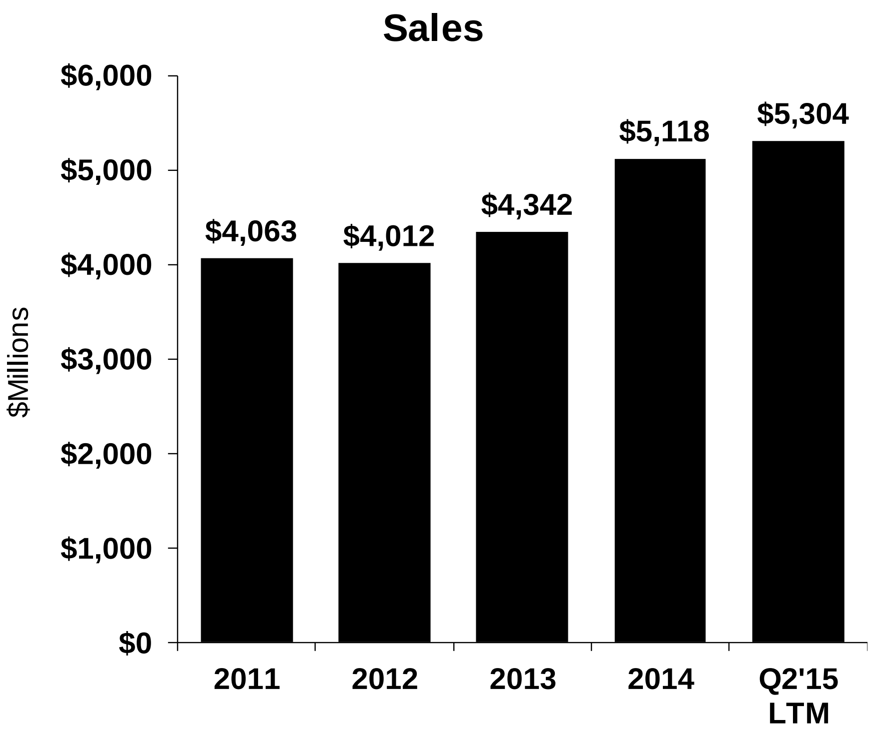
Components Segment – Sales Mix

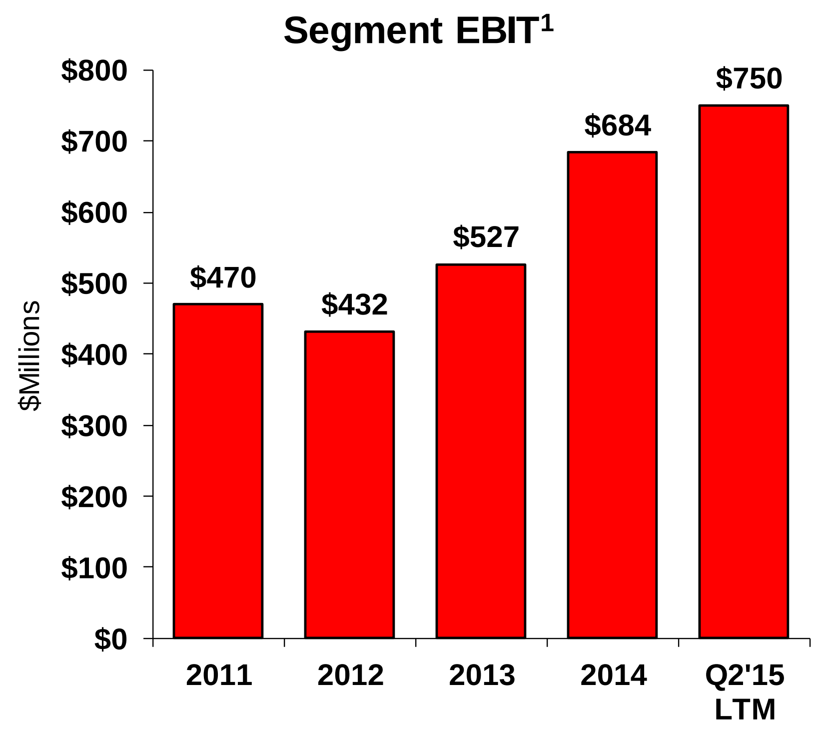




Q2'15 LTM Revenue: $5.3 B

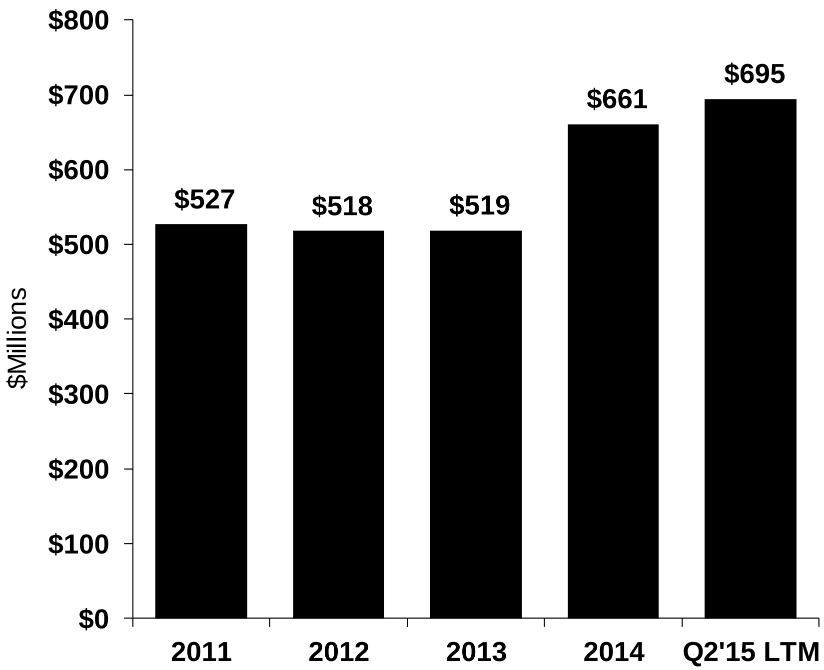
Components – Historical Performance

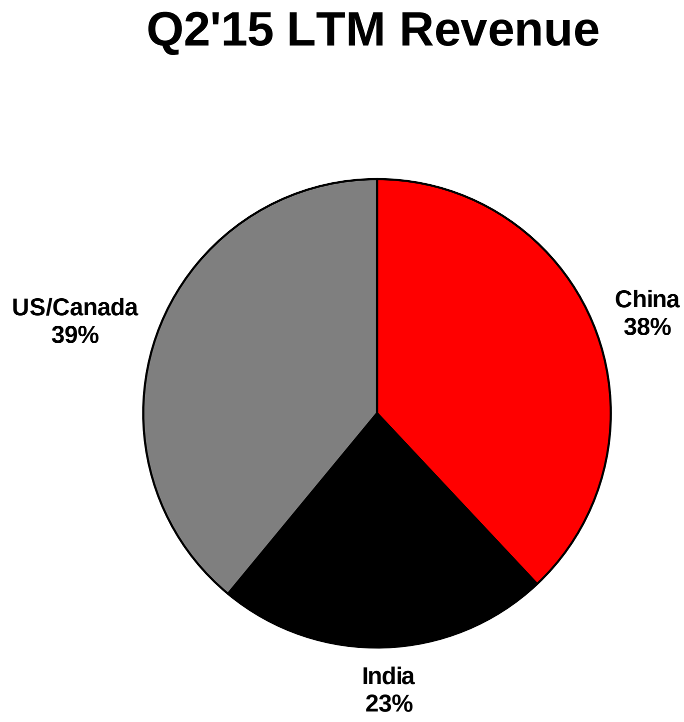




[1] 2012 EBIT excludes $6 million in restructuring charges.

Components Segment – Joint Venture Sales Unconsolidated



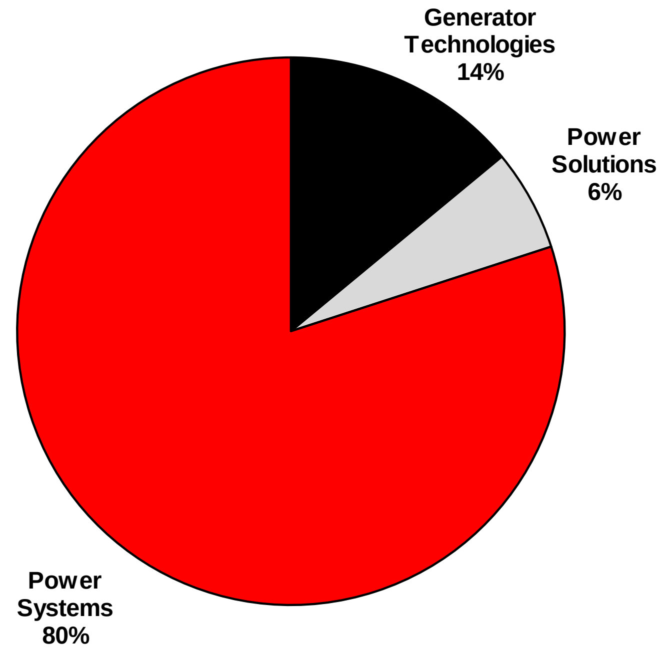


Power Generation Segment – Overview

- Global provider of power generation systems, components and services from 2kW to 3.5 Megawatts (MW)
- Leading supplier of alternators from 3 kVA to 12,000kVA
- Leading market share in multiple geographies

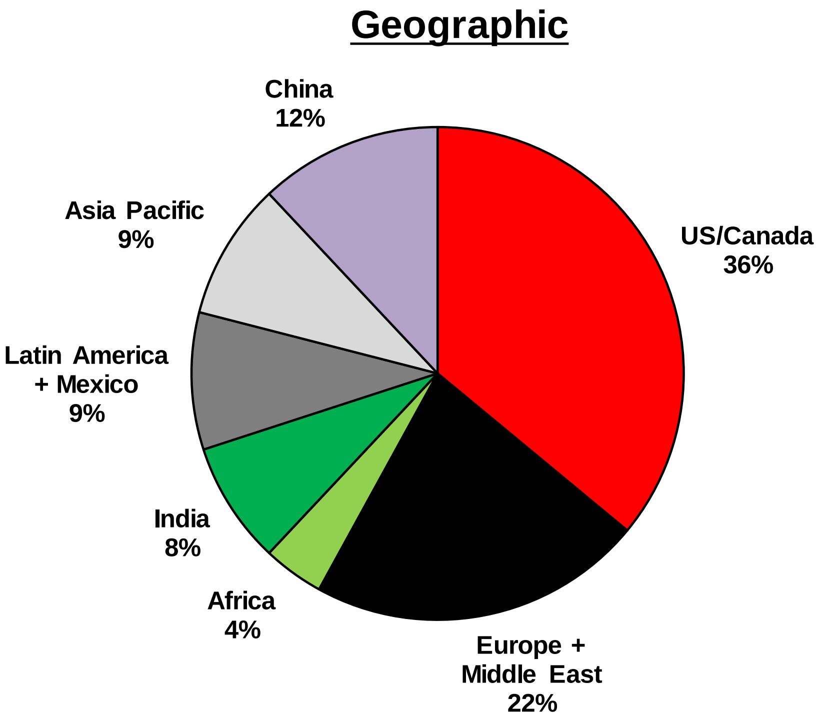
Q2'15 LTM Data
Sales: $2.9 billion
EBIT[1]: $220 million
EBIT%: 7.5%

Q2'15 LTM Revenue by Product



[1] EBIT excludes $32 million in operating actions in 2014.

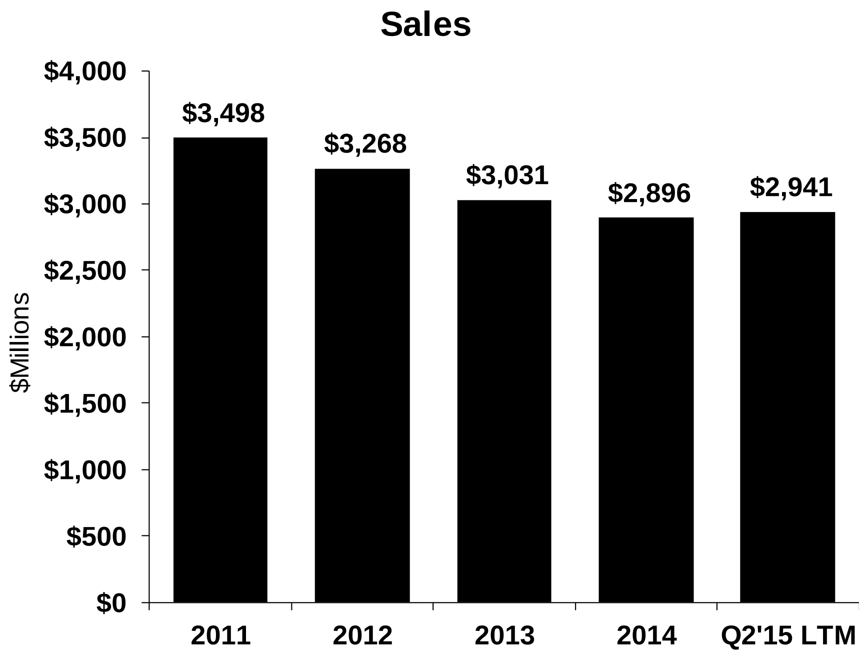
Power Generation Segment – Sales Mix

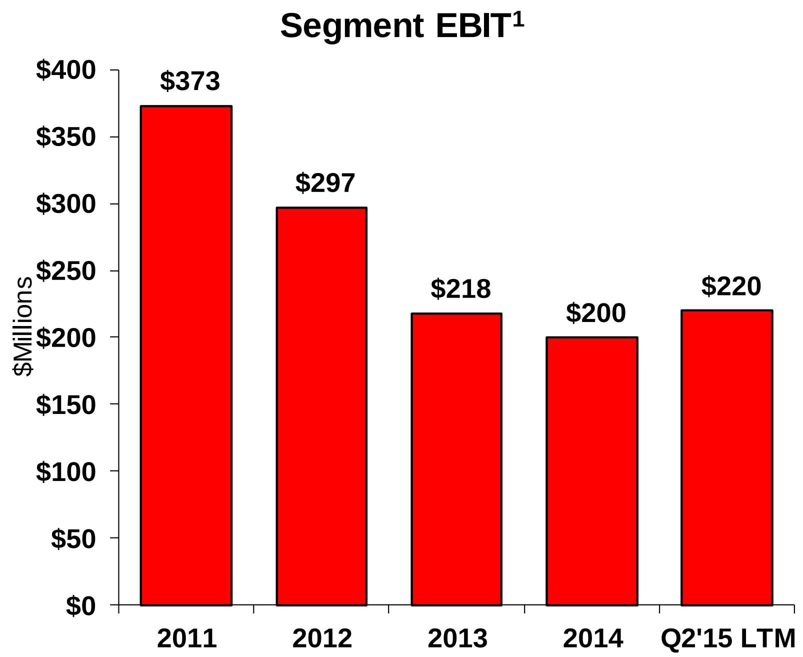


- Market Leadership in China, India, Russia and Latin America
- Energy shortfalls will continue in emerging markets

Q2'15 LTM Revenue: $2.9 B

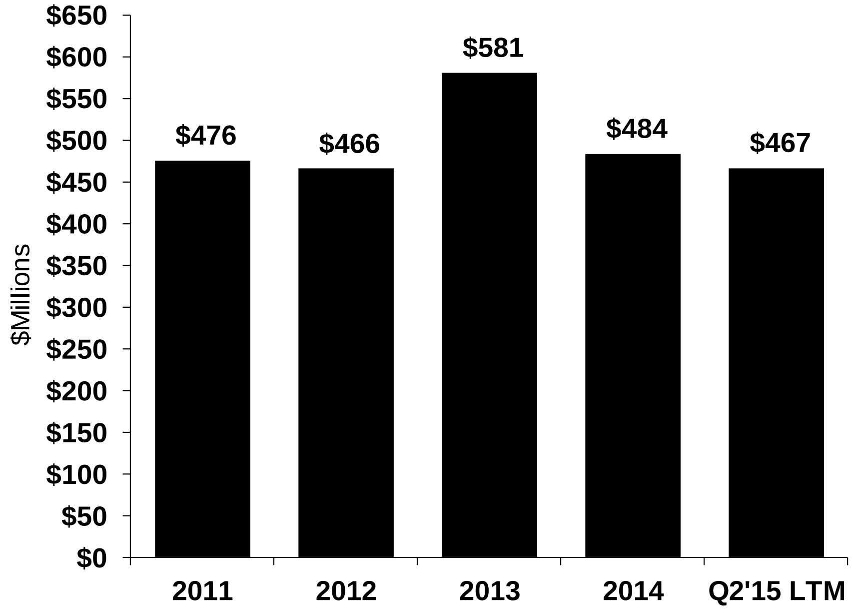
Power Generation – Historical Performance



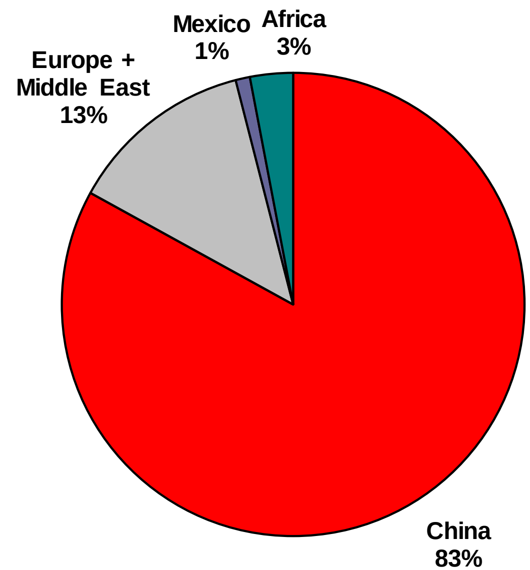


[1] EBIT excludes $12 million in restructuring charges in 2012 and operating actions of $32 million in 2014.

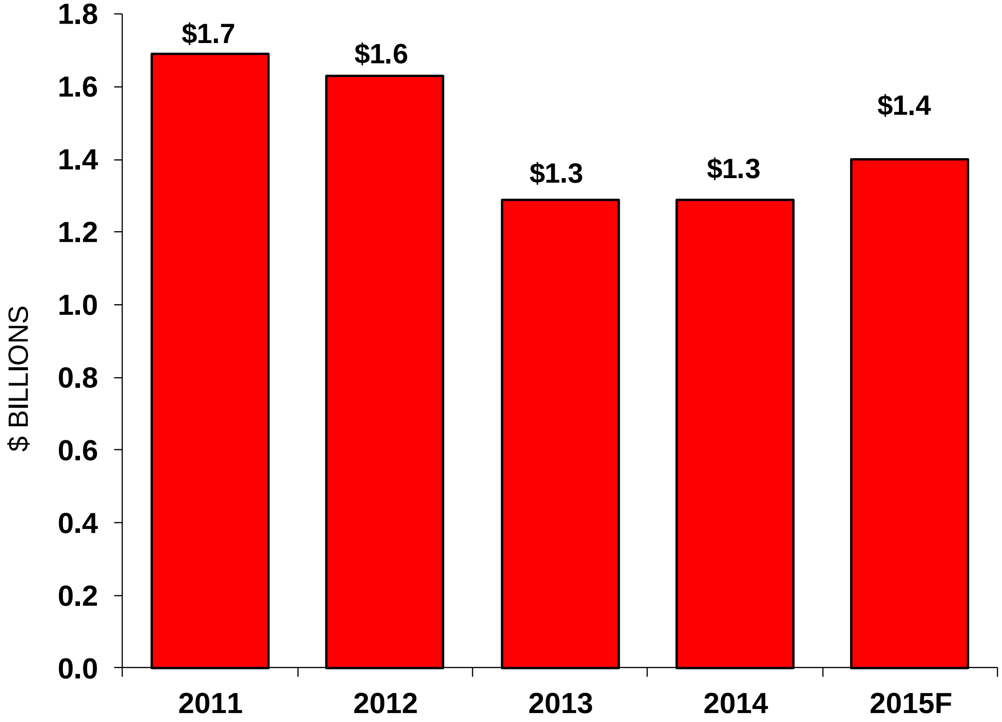
Power Generation Segment – Joint Venture Sales Unconsolidated



Q2'15 LTM Revenue



Emerging Market Sales – India[1]



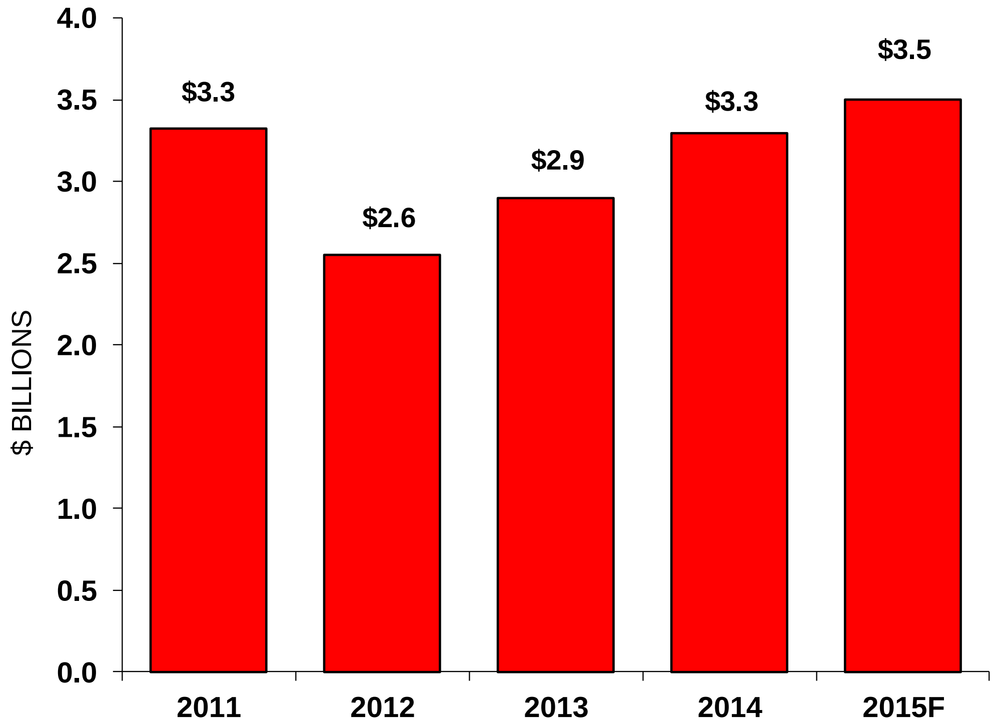
- Present in India for over 50 years
- Market leadership
- Strong OEM relationships
- Expanding our markets

Domestic consolidated + unconsolidated revenue.

KPIT Cummins excluded from Joint Venture Sales Unconsolidated beginning 2013 due to reduction in ownership interest.

[1] Before intercompany eliminations.

Emerging Market Sales – China[1]



- Present in China for over 30 years
- Broad product portfolio of On and Off-Highway
- Strong OEM partners
- Growth from new products and tightening emissions

Domestic consolidated + unconsolidated revenue.

[1] Before intercompany eliminations.

Non-GAAP Reconciliation – EBIT

In Millions	Three Months Ended June 28, 2015	Three Months Ended June 29, 2014
EBIT	$721	$657
Less: Interest Expense	17	15
Income before taxes	704	642
Less: Income tax expense	208	170
Consolidated net income	496	472
Less: Net income attributable to noncontrolling interests	25	26
Net income attributable to Cummins Inc.	471	446

We define EBIT as earnings before interest expense, provision for income taxes, and non-controlling interests in earnings of consolidated subsidiaries. We use EBIT to assess and measure the performance of our operating segments and also as a component in measuring our variable compensation program. The table above reconciles EBIT, a non-GAAP financial measure, to our consolidated earnings before income taxes and non-controlling interests, for each of the applicable periods. We believe EBIT is a useful measure of our operating performance for the periods presented as it illustrates our operating performance without regard for financing methods, capital structure, or income taxes. This measure is not in accordance with, or an alternative for, accounting principles generally accepted in the United States of America (GAAP) and may not be consistent with measures used by other companies. It should be considered supplemental data.

Non-GAAP Reconciliation – Working Capital

In Millions	June 28, 2015	June 29, 2014
Accounts and notes receivable, net	$ 3,422	$ 3,188
Inventories	2,986	2,745
Less: Accounts Payable - trade	(1,974)	(1,905)
Working capital measure	$ 4,434	$ 4,028
Working capital measure (% of Annualized Net Sales)	22.1%	20.8%

A reconciliation of the calculation of working capital measure as a % of annualized net sales to our Condensed Consolidated Financial Statements is shown in the table above.

Non-GAAP Reconciliation – Net Assets

In Millions	June 28, 2015	June 29, 2014
Net assets for operating segments	$ 9,717	$ 9,751
Liabilities deducted in computing net assets	5,960	5,519
Pension and other postretirement liabilities	(157)	(181)
Deferred tax assets not allocated to segments	323	376
Debt-related costs not allocated to segments	35	35
Total Assets	$ 15,878	$ 15,500

A reconciliation of net assets for operating segments to total assets in our Condensed Consolidated Financial Statements is shown in the table above.

Non-GAAP Reconciliation – Equity Used for Return on Equity Calculation

In Millions	June 28, 2015	June 29, 2014
Equity used for return on equity calculation	$ 8,495	$ 8,384
Defined benefit postretirement plans	(641)	(597)
Total shareholders equity	7,854	7,787
Noncontrolling Interest	360	371
Total Equity	$ 8,214	$ 8,158

A reconciliation of equity used for return on equity calculation to total shareholder's equity in our Condensed Consolidated Financial Statements is shown in the table above.