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Cummins Raises Long-Term Financial Targets

- **Cummins is raising its long-term financial targets as a result of its strengthening portfolio and continued execution on both its strategy and commitments.**
- **Cummins is well-positioned to meet customer needs, drive real-world greenhouse gas reductions and generate growth regardless of the pace of the transition to zero emissions.**
- **Cummins will continue to drive further improvement in its base business while successfully scaling Accelera™ by Cummins, delivering profitable growth and higher operating cash flow.**

COLUMBUS, Ind.--(BUSINESS WIRE)-- At a meeting with analysts and shareholders today, members of the leadership team of Cummins Inc. (NYSE: CMI), shared the Company's plans to raise its long-term financial expectations, relative to its prior Analyst Day, and deliver increasing returns to shareholders.

"Two years ago, we introduced Destination Zero as our winning growth strategy. This is proving to be the right strategy for our customers, for the environment and for the continued growth of Cummins," Jennifer Rumsey, Chair and Chief Executive Officer, said at the meeting. "Since our last Analyst Day, we have continued to strengthen our position and execute on both our strategy and financial commitments. As a result, I'm excited to share we are raising our long-term financial expectations as we lead the transition."

The Company is uniquely positioned to lead the transition to zero emissions and outgrow its markets, through its multi-solution approach that leverages advancements and product portfolios from both its base business and Accelera. "Cummins is able to win with our strategy because of our integrated suite of innovative technologies and capabilities, strong customer partnerships, financial strength that allows us to invest in our future, and our skilled global workforce. All of this positions us to succeed."

Jenny Bush, President, Power Systems Business, summarized the key factors that have transformed the profitability of this business over the past two years and highlighted opportunities for growth in revenue and profitability through 2030. "We are excited about the future of Power Systems with a clear focus on investment priorities and opportunities to deliver top-line growth, especially in the datacenter market, and further expand margins."

Amy Davis, President of Accelera and Cummins' Components Business, updated on the progress made in the Accelera business and highlighted how Cummins' position has advanced over the last two years. "Our thesis still holds true. Accelera is best positioned because of our broad portfolio of technologies, our knowledge and experience in global industrial markets and our strong relationships with OEMs and end customers." Davis also explained how the business is committed to driving improvements in financial performance as the business scales up and moves to breakeven in 2027.

Lastly, Mark Smith, Chief Financial Officer, summarized the Company's plans for growth, margin expansion and capital allocation. "We will continue to drive further improvement in our business as we expand margins in our base business and successfully scale our Accelera business. Cummins has a strong track record of raising performance cycle over cycle. As we drive further profitability, we aim to deliver higher operating cash flow, allowing us to continue to invest to further strengthen our leadership position in core markets and return excess cash to shareholders."

Webcast information

A copy of the presentation used in the meeting and a replay on the webcast is available at investor.cummins.com.

About Cummins Inc.

Cummins Inc., a global power solutions leader, is comprised of five business segments – Components, Engine, Distribution, Power Systems and Accelera by Cummins – supported by our global manufacturing and extensive service and support network, skilled workforce and vast technological expertise. Cummins is committed to its Destination Zero strategy, which is grounded in the company's commitment to sustainability and helping its customers successfully navigate the energy transition with its broad portfolio of products. The products range from advanced diesel, natural gas, electric and hybrid powertrains and powertrain-related components including, aftertreatment, turbochargers, fuel systems, valvetrain technologies, controls systems, air handling systems, automated transmissions, axles, drivelines, brakes, suspension systems, electric power generation systems, batteries, electrified power systems, hydrogen production technologies and fuel cell products. Headquartered in Columbus, Indiana (U.S.), since its founding in 1919, Cummins employs approximately 75,500 people committed to powering a more prosperous world through three global corporate responsibility priorities critical to healthy communities: education, environment, and equality of opportunity. Cummins serves its customers online, through a network of company-owned and independent distributor locations, and through thousands of dealer locations worldwide and earned about \$735 million on sales of \$34.1 billion in 2023. See how Cummins is powering a world that's always on by accessing news releases and more information at <https://www.cummins.com/>.

Forward-looking disclosure statement

Information provided in this release 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, guidance, preliminary results, expectations, hopes, beliefs and intentions on strategies regarding the future. These forward-looking statements include, without limitation, statements relating to our plans and expectations for

our revenues, EBITDA and agreement in principle to settle regulatory proceedings regarding our emissions certification and compliance process for pick-up truck applications. 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: any adverse consequences resulting from entering into the Agreement in Principle, including required additional mitigation projects, adverse reputational impacts and potential resulting legal actions; increased scrutiny from regulatory agencies, as well as unpredictability in the adoption, implementation and enforcement of emission standards around the world; evolving environmental and climate change legislation and regulatory initiatives; changes in international, national and regional trade laws, regulations and policies; changes in taxation; global legal and ethical compliance costs and risks; future bans or limitations on the use of diesel-powered products; failure to successfully integrate and / or failure to fully realize all of the anticipated benefits of the acquisition of Meritor, Inc. (Meritor); raw material, transportation and labor price fluctuations and supply shortages; aligning our capacity and production with our demand; the actions of, and income from, joint ventures and other investees that we do not directly control; large truck manufacturers' and original equipment manufacturers' customers discontinuing outsourcing their engine supply needs or experiencing financial distress, or change in control; product recalls; variability in material and commodity costs; the development of new technologies that reduce demand for our current products and services; lower than expected acceptance of new or existing products or services; product liability claims; our sales mix of products; climate change, global warming, more stringent climate change regulations, accords, mitigation efforts, greenhouse gas regulations or other legislation designed to address climate change; our plan to reposition our portfolio of product offerings through exploration of strategic acquisitions and divestitures and related uncertainties of entering such transactions; increasing interest rates; challenging markets for talent and ability to attract, develop and retain key personnel; exposure to potential security breaches or other disruptions to our information technology environment and data security; political, economic and other risks from operations in numerous countries including political, economic and social uncertainty and the evolving globalization of our business; competitor activity; increasing competition, including increased global competition among our customers in emerging markets; failure to meet environmental, social and governance (ESG) expectations or standards, or achieve our ESG goals; labor relations or work stoppages; foreign currency exchange rate changes; the performance of our pension plan assets and volatility of discount rates; the price and availability of energy; continued availability of financing, financial instruments and financial resources in the amounts, at the times and on the terms required to support our future business; and other risks detailed from time to time in our SEC filings, including particularly in the Risk Factors section of our 2023 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. 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 release 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 SEC, which are available at <http://www.sec.gov> or at <http://www.cummins.com> in the Investor Relations section of our website.

Presentation of Non-GAAP Financial Information

EBITDA is a non-GAAP measure used in this release and is defined and reconciled to what management believes to be the most comparable GAAP measure in a schedule attached to this release, except for forward-looking measures of EBITDA where a reconciliation to the corresponding GAAP measures is not available due to the variability, complexity and limited visibility of the non-cash items that are excluded from the non-GAAP outlook measure. Cummins presents this information as it believes it is useful to understanding the Company's operating performance, and because EBITDA is a measure used internally to assess the performance of the operating units.

Webcast information

Cummins management will host a teleconference to discuss these results today at 10 a.m. EDT. This teleconference will be webcast and available on the Investor Relations section of the Cummins website at www.cummins.com. Participants wishing to view the visuals available with the audio are encouraged to sign-in a few minutes prior to the start of the teleconference.

View source version on businesswire.com:

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