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Cummins closes on acquisition of Siemens' Commercial Vehicles business

Transaction will accelerate Cummins' development of electrified power solutions

COLUMBUS, Ind. & NUREMBERG, Germany--(BUSINESS WIRE)-- Global power and technology leader, Cummins Inc. (NYSE: CMI) today announced that it, through its subsidiary Meritor, has completed its acquisition of Siemens' Commercial Vehicles business, a leading global supplier of high-performance electric drive systems for commercial vehicles. In May 2022, Meritor, Inc. announced it had entered into an agreement to acquire the business for approximately €190 million enterprise value; Cummins subsequently completed its acquisition of Meritor in August 2022.

This acquisition adds key capabilities in direct drive and transmission-based remote mount electric motors, inverters, software and related services which are critical elements in the next generation of electric powertrains. These capabilities, and their addition of nearly 200 employees primarily in Germany, China and the United States, will accelerate Cummins ability to offer global customers a wider array of electrified product solutions across commercial vehicle applications.

"We are excited to welcome Siemens' Commercial Vehicles electric drive systems business into Cummins," said Jennifer Rumsey, Cummins' President and Chief Executive Officer. "By combining our collective, deep knowledge of our industry and how our customers use our applications, we will innovate and advance key technologies. This acquisition also reflects another key milestone in the execution of our strategy to reach net-zero emissions by 2050 in a way that is best for our customers and the planet."

"We are thrilled to join Cummins which has a long history serving the commercial vehicle market," said Mart Verschoor, former CEO of Siemens Commercial Vehicles who will assume the role as Vice President – Traction Systems within Cummins' New Power segment. "I know we will deliver technologies required to accelerate adoption of zero-emission powertrains that delight our customers and move our communities forward."

The acquired business will report through Cummins New Power business unit.

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 and EBITDA. 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 results of our internal review into our emissions certification process and compliance with emission standards; increased scrutiny from regulatory agencies, as well as unpredictability in the adoption, implementation and enforcement of emission standards around the world; changes in international, national and regional trade laws, regulations and policies; any adverse effects of the U.S. government's COVID-19 vaccine mandates; changes in taxation; global legal and ethical compliance costs and risks; increasingly stringent environmental laws and regulations; future bans or limitations on the use of diesel-powered products; 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, bankruptcy 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; failure to complete, adverse results from or failure to realize the expected benefits of the separation of our filtration business; our plan to reposition our portfolio of product offerings through exploration of strategic acquisitions and divestitures and related uncertainties of entering such transactions; challenging markets for talent and ability to attract, develop and retain key personnel; climate change and global warming; 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; 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 2021 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 press 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.

About Cummins Inc.

Cummins Inc., a global power technology leader, is a corporation of complementary

business segments that design, manufacture, distribute and service a broad portfolio of power solutions. The company's products range from internal combustion, electric and hybrid integrated power solutions to components including filtration, aftertreatment, turbochargers, fuel systems, controls systems, air handling systems, automated transmissions, electric power generation systems, microgrid controls, batteries, electrolyzers and fuel cell products. Headquartered in Columbus, Indiana (U.S.), since its founding in 1919, Cummins employs approximately 59,900 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 \$2.1 billion on sales of \$24 billion in 2021.

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