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Cummins Inc. Increases Dividend by 50 Percent

COLUMBUS, Ind.--(BUSINESS WIRE)-- The Cummins Inc. (NYSE: CMI) Board of Directors today increased the Company's quarterly cash dividend on common stock by 50 percent to 26.25 cents per share from 17.5 cents per share.

The dividend is payable on Sept. 1, 2010 to shareholders of record on August 23, 2010. Cummins last raised its dividend in July 2008.

"The Company has performed well despite operating in challenging economic conditions for much of the past two years," said Cummins Chairman and Chief Executive Officer Tim Solso. "As a result, we are in a position to further reward shareholders for their confidence in Cummins as we continue to position ourselves for a period of strong long-term growth."

Cummins stock has been one of best performing stocks among the Standard & Poor's 500 for the past several years, ranking 12th for total return by Bloomberg BusinessWeek for the five-year period from March 2005 to March 2010.

About Cummins

Cummins Inc., a global power leader, is a corporation of complementary business units that design, manufacture, distribute and service engines and related technologies, including fuel systems, controls, air handling, filtration, emission solutions and electrical power generation systems. Headquartered in Columbus, Indiana, (USA) Cummins serves customers in approximately 190 countries and territories through a network of more than 500 company-owned and independent distributor locations and approximately 5,200 dealer locations. The Company reported net income attributable to Cummins Inc. of \$428 million on sales of \$10.8 billion in 2009. Press releases can be found on the Web at www.cummins.com. Follow Cummins on Twitter at <http://twitter.com/cummins>.

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 the company's expectations, hopes, beliefs and intentions on strategies regarding the future. It is important to note that the company's 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, general economic, business and financing conditions, labor relations, governmental action, competitor pricing activity, expense volatility and other risks detailed from time to time in Cummins Securities and Exchange Commission filings.

Source: Cummins Inc.