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Cummins Power Generation Extends Its Partnership with the U.S. Army

-- Next generation mobile power generators offer improved fuel economy and reliability at lower cost

FRIDLEY, Minn.--(BUSINESS WIRE)-- Cummins Power Generation, a business unit of Cummins Inc. (NYSE: CMI), today dedicated the production line for its newest line of mobile power generators for use by the U.S. Army.

The event marks the beginning of the third phase of the partnership between Cummins Power Generation (CPG) and the Army for production of CPG's Advanced Medium Mobile Power Sources (AMMPS). The five AMMPS models range in power from 5 to 60 kilowatts, and are designed to provide tactical power for military applications under extreme environmental conditions and duty cycles.

The latest milestone in the AMMPS contract, which began with an initial award to CPG in 2004, was celebrated today with a dedication ceremony at the business' manufacturing facility in Fridley. In addition to officials from CPG and the Army, U.S. Rep. Keith Ellison, U.S. Rep. Betty McCollum, Minnesota State Senator Pam Wolf, Fridley Mayor Steve Lund and a representative from Minnesota Gov. Mark Dayton's staff attended the ceremony.

"Cummins' work to provide a range of power solutions to the U.S. military dates back to World War II, and we are excited to celebrate this important next step in our partnership with U.S. Army," said Tony Satterthwaite, President of Cummins Power Generation. "Our next generation AMMPS represent a significant leap forward in performance, fuel economy and reliability.

"Our work with the Army on the AMMPS program demonstrates our joint commitment to providing our fighting men and women the tools they need to do their important work effectively and safely. Our new line of tactical power sources also will greatly reduce the environmental footprint associated while operated by the military, consistent with Cummins' commitment to contributing to a cleaner environment."

The latest generation of AMMPS is expected to deliver 21 percent fuel efficiency improvements compared to the previous models at nearly a 20 percent reduction in cost. In addition, the power supplies will be lighter, quieter and more reliable than previous

generations.

AMMPS sets are fully capable of meeting demanding operational and environmental requirements providing mobile, tactical electric power to deployed soldiers, sailors, airmen and Marines worldwide.

AMMPS directly support weapon systems, tactical operation centers, communications, intelligence and numerous other battlefield systems. The Army estimates the new AMMPS will save millions of gallons of fuel annually in wartime conditions.

"In addition to the cost and environmental benefits associated with the new AMMPS, the improved fuel efficiency will reduce the need for fuel trucks and convoys to service military installations in combat zones, increasing the safety of U.S. soldiers," said Army LTC Michael Foster, Product Manager - Medium Power Sources.

As a result of this phase of the program, CPG expects to add approximately 90 employees and invest nearly \$14 million in its AMMPS manufacturing operation in Fridley. Cummins Power Generation is headquartered in Fridley and currently employs approximately 1,800 people in the Minneapolis region. CPG also has plans to grow its employee base by more than 200 people in 2011, in addition to those associated with the AMMPS program, to meet the expected growth of its business.

Cummins Power Generation reported \$2.9 billion in sales in 2010, with more than a quarter of those sales generated by products made at the Fridley plant. The business also announced late in 2010 that it was investing \$50 million over the next five years in its facilities in the Minneapolis area including the purchase of a new office building in nearby Shoreview.

"Cummins Power Generation has been a part of the Minneapolis region business community for more than 40 years, and our commitment to the area is growing," Satterthwaite said. "We are poised for a period of significant growth over the next several years, which will strengthen our business presence in this region as well as the corporate responsibility work done by our employees who take pride in playing a role in improving their communities."

About Cummins Power Generation

Cummins Power Generation, a subsidiary of Cummins Inc. (NYSE: CMI), is a global leader dedicated to increasing the availability and reliability of electric power around the world. With more than 90 years' experience, its global distributor network of distributors in over 190 countries delivers innovative solutions for any power need--commercial, industrial, recreational, emergency and residential.

Products include alternators, generator-drive engines and pre-integrated power systems, combining generator sets and power control and transfer technologies. Services range from system design, project management, operations and maintenance contracts to development of turnkey power plants.

About Cummins Inc.

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 employs approximately 40,000 people worldwide and serves customers in approximately 190 countries and territories through a network of more than 600 company-owned and independent distributor locations and approximately 6,000 dealer locations. Cummins earned \$1.0 billion on sales of \$13.2 billion in 2010. Press releases can be found on the Web at 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 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.