

February 9, 2016



## **Cummins Announces \$500 Million Accelerated Share Repurchase**

COLUMBUS, Ind., Feb. 9, 2016 (GLOBE NEWSWIRE) -- Cummins Inc. (NYSE: CMI) today announced that it has entered into an accelerated share repurchase (ASR) agreement with Goldman, Sachs & Co. (GS &Co.) to repurchase \$500 million of Cummins' common stock. Today's ASR is part of Cummins' previously announced share repurchase plans authorized by the Board of Directors.

Under the terms of the ASR agreement, Cummins will repurchase \$500 million of its common stock from GS &Co. with an initial delivery of approximately 4 million shares based on current market prices. The final number of shares to be repurchased will be based on Cummins' volume-weighted average stock price during the term of the transaction, less a discount. The ASR is expected to be completed by the end of the second quarter of 2016.

"This \$500 million ASR agreement reflects our view that the Company's shares are currently trading well below intrinsic value, and is consistent with our plans to return 75 percent of Operating Cash Flow to shareholders in 2016," said Chairman and CEO Tom Linebarger.

### **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. 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 actions; 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, including 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 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 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

## About Cummins

Cummins Inc., a global power leader, is a corporation of complementary business units that design, manufacture, distribute and service diesel and natural gas engines and related technologies, including fuel systems, controls, air handling, filtration, emission solutions and electrical power generation systems. Headquartered in Columbus, Indiana, (USA) Cummins currently employs approximately 55,000 people worldwide and serves customers in approximately 190 countries and territories through a network of approximately 600 company-owned and independent distributor locations and approximately 7,200 dealer locations. Cummins earned \$1.4 billion on sales of \$19.1 billion in 2015. Press releases can be found on the Web at [www.cummins.com](http://www.cummins.com). Follow Cummins on Twitter at [www.twitter.com/cummins](http://www.twitter.com/cummins) and on YouTube at [www.youtube.com/cumminsinc](http://www.youtube.com/cumminsinc).

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News Release



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