

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549



FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: July 28, 2015

CUMMINS INC.

(Exact name of registrant as specified in its charter)

Indiana	1-4949	35-0257090
(State or other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

500 Jackson Street
P. O. Box 3005
Columbus, IN 47202-3005
(Principal Executive Office) (Zip Code)

Registrant's telephone number, including area code: **(812) 377-5000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions *see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On July 28, 2015, Cummins Inc. ("Cummins," "the Company," "the registrant," "we," "our," or "us") issued the attached press release reporting its financial results for the second quarter of 2015, which is furnished herewith as Exhibit 99.

The information furnished pursuant to this Item 2.02, including Exhibit 99, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

- (d) The following exhibit is furnished pursuant to Item 2.02 herewith:
99-Press Release dated July 28, 2015

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 28, 2015

CUMMINS INC.

/s/ Marsha L. Hunt

Marsha L. Hunt
Vice President - Corporate Controller
(Principal Accounting Officer)

CUMMINS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited) (a)

In millions, except per share amounts	Three months ended	
	June 28, 2015	June 29, 2014
NET SALES	\$ 5,015	\$ 4,835
Cost of sales	3,683	3,630
GROSS MARGIN	1,332	1,205
OPERATING EXPENSES AND INCOME		
Selling, general and administrative expenses	537	513
Research, development and engineering expenses	166	179
Equity, royalty and interest income from investees	94	105
Other operating (expense) income, net	—	(6)
OPERATING INCOME	723	612
Interest income	6	6
Interest expense	17	15
Other (expense) income, net	(8)	39
INCOME BEFORE INCOME TAXES	704	642
Income tax expense	208	170
CONSOLIDATED NET INCOME	496	472
Less: Net income attributable to noncontrolling interests	25	26
NET INCOME ATTRIBUTABLE TO CUMMINS INC.	\$ 471	\$ 446
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CUMMINS INC.		
Basic	\$ 2.63	\$ 2.44
Diluted	\$ 2.62	\$ 2.43
WEIGHTED AVERAGE SHARES OUTSTANDING		
Basic	179.2	182.8
Diluted	179.6	183.2
CASH DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.78	\$ 0.625

^(a) Prepared on an unaudited basis in accordance with accounting principles generally accepted in the United States of America.

CUMMINS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited) (a)

In millions, except per share amounts	Six months ended	
	June 28, 2015	June 29, 2014
NET SALES	\$ 9,724	\$ 9,241
Cost of sales	7,197	6,937
GROSS MARGIN	2,527	2,304
OPERATING EXPENSES AND INCOME		
Selling, general and administrative expenses	1,054	998
Research, development and engineering expenses	361	369
Equity, royalty and interest income from investees	162	195
Other operating (expense) income, net	(3)	(7)
OPERATING INCOME	1,271	1,125
Interest income	11	11
Interest expense	31	32
Other income, net	1	49
INCOME BEFORE INCOME TAXES	1,252	1,153
Income tax expense	352	323
CONSOLIDATED NET INCOME	900	830
Less: Net income attributable to noncontrolling interests	42	46
NET INCOME ATTRIBUTABLE TO CUMMINS INC.	\$ 858	\$ 784
EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CUMMINS INC.		
Basic	\$ 4.77	\$ 4.27
Diluted	\$ 4.76	\$ 4.26
WEIGHTED AVERAGE SHARES OUTSTANDING		
Basic	179.9	183.5
Diluted	180.3	183.9
CASH DIVIDENDS DECLARED PER COMMON SHARE	\$ 1.56	\$ 1.25

^(a) Prepared on an unaudited basis in accordance with accounting principles generally accepted in the United States of America.

CUMMINS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited) (a)

In millions, except par value	June 28, 2015	December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,760	\$ 2,301
Marketable securities	89	93
Total cash, cash equivalents and marketable securities	1,849	2,394
Accounts and notes receivable, net	3,422	2,946
Inventories	2,986	2,866
Prepaid expenses and other current assets	746	849
Total current assets	9,003	9,055
Long-term assets		
Property, plant and equipment	7,151	7,123
Accumulated depreciation	(3,498)	(3,437)
Property, plant and equipment, net	3,653	3,686
Investments and advances related to equity method investees	995	981
Goodwill	473	479
Other intangible assets, net	339	343
Prepaid pensions	784	637
Other assets	631	595
Total assets	\$ 15,878	\$ 15,776
LIABILITIES		
Current liabilities		
Accounts payable (principally trade)	\$ 1,974	\$ 1,881
Loans payable	70	86
Current portion of accrued product warranty	405	363
Accrued compensation, benefits and retirement costs	432	508
Deferred revenue	402	401
Other accrued expenses	739	759
Current maturities of long-term debt	31	23
Total current liabilities	4,053	4,021
Long-term liabilities		
Long-term debt	1,576	1,589
Postretirement benefits other than pensions	351	369
Pensions	291	289
Other liabilities and deferred revenue	1,393	1,415
Total liabilities	\$ 7,664	\$ 7,683
EQUITY		
Cummins Inc. shareholders' equity		
Common stock, \$2.50 par value, 500 shares authorized, 222.3 and 222.3 shares issued	\$ 2,164	\$ 2,139
Retained earnings	10,123	9,545
Treasury stock, at cost, 43.7 and 40.1 shares	(3,350)	(2,844)
Common stock held by employee benefits trust, at cost, 1.0 and 1.1 shares	(12)	(13)
Accumulated other comprehensive loss	(1,071)	(1,078)
Total Cummins Inc. shareholders' equity	7,854	7,749
Noncontrolling interests	360	344
Total equity	\$ 8,214	\$ 8,093
Total liabilities and equity	\$ 15,878	\$ 15,776

(a) Prepared on an unaudited basis in accordance with accounting principles generally accepted in the United States of America.

CUMMINS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited) (a)

In millions	Six months ended	
	June 28, 2015	June 29, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net income	\$ 900	\$ 830
Adjustments to reconcile consolidated net income to net cash provided by operating activities		
Depreciation and amortization	254	217
Deferred income taxes	(63)	(88)
Equity in income of investees, net of dividends	(68)	(108)
Pension contributions in excess of expense	(122)	(127)
Other post-retirement benefits payments in excess of expense	(15)	(14)
Stock-based compensation expense	17	21
Translation and hedging activities	27	(9)
Changes in current assets and liabilities, net of acquisitions		
Accounts and notes receivable	(426)	(321)
Inventories	(127)	(223)
Other current assets	18	4
Accounts payable	97	289
Accrued expenses	(21)	120
Changes in other liabilities and deferred revenue	133	116
Other, net	(35)	(6)
Net cash provided by operating activities	569	701
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(247)	(245)
Investments in internal use software	(22)	(26)
Investments in and advances to equity investees	(17)	(11)
Acquisitions of businesses, net of cash acquired	(15)	(193)
Investments in marketable securities—acquisitions	(173)	(179)
Investments in marketable securities—liquidations	155	179
Cash flows from derivatives not designated as hedges	5	4
Other, net	14	8
Net cash used in investing activities	(300)	(463)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	12	17
Payments on borrowings and capital lease obligations	(31)	(39)
Net payments under short-term credit agreements	(10)	(48)
Distributions to noncontrolling interests	(14)	(32)
Dividend payments on common stock	(280)	(229)
Repurchases of common stock	(514)	(430)
Other, net	8	5
Net cash used in financing activities	(829)	(756)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	19	38
Net decrease in cash and cash equivalents	(541)	(480)
Cash and cash equivalents at beginning of year	2,301	2,699
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 1,760	\$ 2,219

^(a) Prepared on an unaudited basis in accordance with accounting principles generally accepted in the United States of America.

CUMMINS INC. AND SUBSIDIARIES
SEGMENT INFORMATION
(Unaudited)

In millions	Engine	Distribution	Components	Power Generation	Non- segment Items ⁽¹⁾	Total
Three months ended June 28, 2015						
External sales	\$ 2,058	\$ 1,487	\$ 1,017	\$ 453	\$ —	\$ 5,015
Intersegment sales	739	8	380	294	(1,421)	—
Total sales	2,797	1,495	1,397	747	(1,421)	5,015
Depreciation and amortization ⁽²⁾	60	25	28	13	—	126
Research, development and engineering expenses	91	3	57	15	—	166
Equity, royalty and interest income from investees	57	21	8	8	—	94
Interest income	3	1	1	1	—	6
Segment EBIT	341	113	223	57	(13)	721
Segment EBIT as a percentage of total sales	12.2%	7.6%	16.0%	7.6%		14.4%
Three months ended June 29, 2014						
External sales	\$ 2,178	\$ 1,229	\$ 953	\$ 475	\$ —	\$ 4,835
Intersegment sales	566	9	327	268	(1,170)	—
Total sales	2,744	1,238	1,280	743	(1,170)	4,835
Depreciation and amortization ⁽²⁾	52	20	26	13	—	111
Research, development and engineering expenses	105	3	53	18	—	179
Equity, royalty and interest income from investees	45	42	9	9	—	105
Interest income	4	—	1	1	—	6
Segment EBIT	311	126 ⁽³⁾	185	61	(26)	657
Segment EBIT as a percentage of total sales	11.3%	10.2%	14.5%	8.2%		13.6%

⁽¹⁾ Includes intersegment sales and profit in inventory eliminations and unallocated corporate expenses. There were no significant unallocated corporate expenses for the three months ended June 28, 2015 and June 29, 2014.

⁽²⁾ Depreciation and amortization as shown on a segment basis excludes the amortization of debt discount and deferred costs included in the *Condensed Consolidated Statements of Income* as "Interest expense."

⁽³⁾ Distribution segment EBIT included gains of \$14 million on the fair value adjustments resulting from the acquisitions of the controlling interests in North American distributors for the three months ended June 29, 2014.

CUMMINS INC. AND SUBSIDIARIES
SEGMENT INFORMATION
(Unaudited)

In millions	Engine	Distribution	Components	Power Generation	Non- segment Items ⁽¹⁾	Total
Six months ended June 28, 2015						
External sales	\$ 3,947	\$ 2,956	\$ 1,948	\$ 873	\$ —	\$ 9,724
Intersegment sales	1,446	15	748	554	(2,763)	—
Total sales	5,393	2,971	2,696	1,427	(2,763)	9,724
Depreciation and amortization ⁽²⁾	118	52	54	29	—	253
Research, development and engineering expenses	205	6	118	32	—	361
Equity, royalty and interest income from investees	87	41	17	17	—	162
Interest income	5	2	2	2	—	11
Segment EBIT	594	201	418	106	(36)	1,283
Segment EBIT as a percentage of total sales	11.0%	6.8%	15.5%	7.4%		13.2%
Six months ended June 29, 2014						
External sales	\$ 4,268	\$ 2,171	\$ 1,875	\$ 927	\$ —	\$ 9,241
Intersegment sales	1,039	17	635	455	(2,146)	—
Total sales	5,307	2,188	2,510	1,382	(2,146)	9,241
Depreciation and amortization ⁽²⁾	103	36	52	25	—	216
Research, development and engineering expenses	221	5	106	37	—	369
Equity, royalty and interest income from investees	77	83	18	17	—	195
Interest income	6	1	2	2	—	11
Segment EBIT	580	202 ⁽³⁾	352	86	(35)	1,185
Segment EBIT as a percentage of total sales	10.9%	9.2%	14.0%	6.2%		12.8%

⁽¹⁾ Includes intersegment sales and profit in inventory eliminations and unallocated corporate expenses. There were no significant unallocated corporate expenses for the six months ended June 28, 2015 and June 29, 2014.

⁽²⁾ Depreciation and amortization as shown on a segment basis excludes the amortization of debt discount and deferred costs included in the *Condensed Consolidated Statements of Income* as "Interest expense." The amortization of debt discount and deferred costs were \$1 million and \$1 million for the six months ended June 28, 2015 and June 29, 2014, respectively.

⁽³⁾ Distribution segment EBIT included gains of \$20 million on the fair value adjustments resulting from the acquisitions of the controlling interests in North American distributors for the six months ended June 29, 2014.

A reconciliation of our segment information to the corresponding amounts in the *Condensed Consolidated Statements of Income* is shown in the table below:

In millions	Three months ended		Six months ended	
	June 28, 2015	June 29, 2014	June 28, 2015	June 29, 2014
Total EBIT	\$ 721	\$ 657	\$ 1,283	\$ 1,185
Less: Interest expense	17	15	31	32
Income before income taxes	\$ 704	\$ 642	\$ 1,252	\$ 1,153

CUMMINS INC. AND SUBSIDIARIES
SELECTED FOOTNOTE DATA
(Unaudited)

NOTE 1. EQUITY, ROYALTY AND INTEREST INCOME FROM INVESTEES

Equity, royalty and interest income from investees included in our *Condensed Consolidated Statements of Income* for the reporting periods was as follows:

In millions	Three months ended		Six months ended	
	June 28, 2015	June 29, 2014	June 28, 2015	June 29, 2014
Distribution Entities				
North American distributors	\$ 8	\$ 30	\$ 18	\$ 62
Komatsu Cummins Chile, Ltda.	8	8	15	14
All other distributors	—	1	1	2
Manufacturing Entities				
Dongfeng Cummins Engine Company, Ltd.	15	22	29	36
Beijing Foton Cummins Engine Co., Ltd. (Light-duty)	15	8	23	14
Chongqing Cummins Engine Company, Ltd.	11	15	23	26
Beijing Foton Cummins Engine Co., Ltd. (Heavy-duty)	7	(7)	6	(13)
All other manufacturers	21	19	28	34
Cummins share of net income	85	96	143	175
Royalty and interest income	9	9	19	20
Equity, royalty and interest income from investees	\$ 94	\$ 105	\$ 162	\$ 195

NOTE 2. INCOME TAXES

The effective tax rate for the three and six month periods ended June 28, 2015, was 29.5 percent and 28.1 percent, respectively. The six month tax rate included an \$18 million discrete tax benefit to reflect the release of reserves for uncertain tax positions related to a favorable federal audit settlement.

CUMMINS INC. AND SUBSIDIARIES
FINANCIAL MEASURES THAT SUPPLEMENT GAAP
(Unaudited)

Net income and diluted earnings per share (EPS) attributable to Cummins Inc. excluding special items

We believe this is a useful measure of our operating performance for the periods presented as it illustrates our operating performance without regard to special items including tax adjustments. This measure is not in accordance with, or an alternative for, accounting principles generally accepted in the United States of America (GAAP) and may not be consistent with measures used by other companies. It should be considered supplemental data. The following table reconciles net income attributable to Cummins Inc. to net income attributable to Cummins Inc. excluding special items for the following periods:

In millions	Six months ended			
	June 28, 2015		June 29, 2014	
	Net Income	Diluted EPS	Net Income	Diluted EPS
Net income attributable to Cummins Inc.	\$ 858	\$ 4.76	\$ 784	\$ 4.26
Less				
Tax items	18	0.10	—	—
Net income attributable to Cummins Inc. excluding special items	<u>\$ 840</u>	<u>\$ 4.66</u>	<u>\$ 784</u>	<u>\$ 4.26</u>

CUMMINS INC. AND SUBSIDIARIES
FINANCIAL MEASURES THAT SUPPLEMENT GAAP
(Unaudited)

Earnings before interest, taxes and noncontrolling interests

We define EBIT as earnings before interest expense, income tax expense and noncontrolling interests in income of consolidated subsidiaries (EBIT). We use EBIT to assess and measure the performance of our operating segments and also as a component in measuring our variable compensation programs. This measure is not in accordance with, or an alternative for, GAAP and may not be consistent with measures used by other companies. It should be considered supplemental data. Below is a reconciliation of EBIT to "Net income attributable to Cummins Inc.," for each of the applicable periods:

In millions	Three months ended		Six months ended	
	June 28, 2015	June 29, 2014	June 28, 2015	June 29, 2014
Earnings before interest expense and income taxes	\$ 721	\$ 657	\$ 1,283	\$ 1,185
<i>EBIT as a percentage of net sales</i>	<i>14.4%</i>	<i>13.6%</i>	<i>13.2%</i>	<i>12.8%</i>
Less				
Interest expense	17	15	31	32
Income tax expense	208	170	352	323
Consolidated net income	496	472	900	830
Less				
Net income attributable to noncontrolling interests	25	26	42	46
Net income attributable to Cummins Inc.	\$ 471	\$ 446	\$ 858	\$ 784
<i>Net income attributable to Cummins Inc. as a percentage of net sales</i>	<i>9.4%</i>	<i>9.2%</i>	<i>8.8%</i>	<i>8.5%</i>

CUMMINS INC. AND SUBSIDIARIES
BUSINESS UNIT SALES DATA
(Unaudited)

Engine Segment Net Sales by Market

In the first quarter of 2015, our Engine segment reorganized its reporting structure to include the following markets: heavy-duty truck, medium-duty truck and bus, light-duty automotive (pickup and light commercial vehicle), industrial and stationary power. Sales by market for our Engine segment by business (including 2014 and 2013 reorganized balances) were as follows:

2015					
In millions	Q1	Q2	Q3	Q4	YTD
Heavy-duty truck	\$ 757	\$ 875	\$ —	\$ —	\$ 1,632
Medium-duty truck and bus	608	674	—	—	1,282
Light-duty automotive	381	354	—	—	735
Industrial	616	624	—	—	1,240
Stationary power	234	270	—	—	504
Total sales	<u>\$ 2,596</u>	<u>\$ 2,797</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,393</u>

2014					
In millions	Q1	Q2	Q3	Q4	YTD
Heavy-duty truck	\$ 718	\$ 769	\$ 801	\$ 784	\$ 3,072
Medium-duty truck and bus	575	605	599	652	2,431
Light-duty automotive	391	392	396	388	1,567
Industrial	669	739	768	775	2,951
Stationary power	210	239	252	240	941
Total sales	<u>\$ 2,563</u>	<u>\$ 2,744</u>	<u>\$ 2,816</u>	<u>\$ 2,839</u>	<u>\$ 10,962</u>

2013

In millions	YTD
Heavy-duty truck	\$ 2,618
Medium-duty truck and bus	2,064
Light-duty automotive	1,465
Industrial	2,921
Stationary power	945
Total sales	<u>\$ 10,013</u>

Unit shipments by engine classification (including unit shipments to Power Generation):

2015					
Units	Q1	Q2	Q3	Q4	YTD
Mid-range	112,400	120,000	—	—	232,400
Heavy-duty	28,700	32,800	—	—	61,500
High-horsepower	3,500	3,700	—	—	7,200
Total units	<u>144,600</u>	<u>156,500</u>	<u>—</u>	<u>—</u>	<u>301,100</u>

2014					
Units	Q1	Q2	Q3	Q4	YTD
Mid-range	118,900	118,700	117,700	115,900	471,200
Heavy-duty	28,800	30,300	32,300	30,700	122,100
High-horsepower	3,400	3,900	3,900	3,600	14,800
Total units	<u>151,100</u>	<u>152,900</u>	<u>153,900</u>	<u>150,200</u>	<u>608,100</u>

CUMMINS INC. AND SUBSIDIARIES
BUSINESS UNIT SALES DATA
(Unaudited)

Distribution Segment Sales by Business

2015					
In millions	Q1	Q2	Q3	Q4	YTD
Parts and filtration	\$ 573	\$ 598	\$ —	\$ —	\$ 1,171
Engines	321	318	—	—	639
Power generation	298	272	—	—	570
Service	284	307	—	—	591
Total sales	\$ 1,476	\$ 1,495	\$ —	\$ —	\$ 2,971

2014					
In millions	Q1	Q2	Q3	Q4	YTD
Parts and filtration	\$ 382	\$ 461	\$ 491	\$ 590	\$ 1,924
Engines	174	249	270	368	1,061
Power generation	193	278	279	413	1,163
Service	201	250	252	323	1,026
Total sales	\$ 950	\$ 1,238	\$ 1,292	\$ 1,694	\$ 5,174

Component Segment Sales by Business

2015					
In millions	Q1	Q2	Q3	Q4	YTD
Emission Solutions	\$ 613	\$ 679	\$ —	\$ —	\$ 1,292
Turbo Technologies	301	307	—	—	608
Filtration	255	266	—	—	521
Fuel systems	130	145	—	—	275
Total sales	\$ 1,299	\$ 1,397	\$ —	\$ —	\$ 2,696

2014					
In millions	Q1	Q2	Q3	Q4	YTD
Emission Solutions	\$ 543	\$ 582	\$ 598	\$ 620	\$ 2,343
Turbo Technologies	313	307	297	305	1,222
Filtration	265	275	268	267	1,075
Fuel systems	109	116	124	129	478
Total sales	\$ 1,230	\$ 1,280	\$ 1,287	\$ 1,321	\$ 5,118

CUMMINS INC. AND SUBSIDIARIES
BUSINESS UNIT SALES DATA
(Unaudited)

Power Generation Segment Sales by Business

In the first quarter of 2015, our Power Generation segment reorganized its reporting structure to include the following businesses: power systems, alternators and power solutions. Sales for our Power Generation segment by business (including 2014 and 2013 reorganized balances) were as follows:

2015

In millions	Q1	Q2	Q3	Q4	YTD
Power systems	\$ 543	\$ 611	\$ —	\$ —	\$ 1,154
Alternators	98	92	—	—	190
Power solutions	39	44	—	—	83
Total sales	<u>\$ 680</u>	<u>\$ 747</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,427</u>

2014

In millions	Q1	Q2	Q3	Q4	YTD
Power systems	\$ 510	\$ 586	\$ 598	\$ 606	\$ 2,300
Alternators	105	126	115	103	449
Power solutions	24	31	41	51	147
Total sales	<u>\$ 639</u>	<u>\$ 743</u>	<u>\$ 754</u>	<u>\$ 760</u>	<u>\$ 2,896</u>

2013

In millions	YTD
Power systems	\$ 2,381
Alternators	496
Power solutions	154
Total sales	<u>\$ 3,031</u>

News Release



Contact:

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For Immediate Release

July 28, 2015

Cummins Announces Second Quarter 2015 Results

- **Second quarter revenues of \$5.0 billion, EBIT of 14.4 percent of sales**
- **Full year revenue expected to grow between 2 and 4 percent and EBIT to be in the range of 13.5 to 14.0 percent of sales**

COLUMBUS, IND. - Cummins Inc. (NYSE: CMI) today reported results for the second quarter of 2015. Second quarter revenue of \$5.0 billion increased 4 percent from the same quarter in 2014. The increase year-over-year was driven by stronger demand in on-highway markets and distributor acquisitions in North America. Currency negatively impacted revenues by 4 percent compared to last year, primarily due to a stronger US dollar.

Revenues in North America increased 12 percent while international sales declined by 6 percent. Within international markets, sales in Brazil fell the most due to the weak economy.

Earnings before interest and taxes (EBIT) increased to \$721 million for the second quarter or 14.4 percent of sales, up from \$657 million or 13.6 percent of sales a year ago

Net income attributable to Cummins grew 6 percent in the second quarter to \$471 million (\$2.62 per diluted share), compared to \$446 million (\$2.43 per diluted share) in the second quarter of 2014. The tax rate in the second quarter of 2015, including discrete items, was 29.5 percent.

"We delivered strong results in the second quarter, despite challenging economic conditions in a number of international markets, and we increased cash returned to shareholders," said Cummins Chairman and CEO Tom Linebarger. "Earnings improved as a result of good performance by our manufacturing and supply chain organizations and solid execution on material cost reduction initiatives. We returned \$517 million to shareholders in the form of dividends and share repurchases in the second quarter and we recently announced a 25 percent increase in our quarterly dividend."

Based on the current forecast, Cummins expects full year 2015 revenues to grow between 2 and 4 percent, and EBIT to be in the range of 13.5 to 14.0 percent of sales.

Other recent highlights:

- For the ninth consecutive year, Cummins was named one of the Top 50 Companies for Diversity by *Diversity Inc.*

- The Company announced new environmental sustainability goals and pledged to reach an annual reduction of 3.5 million metric tons of carbon dioxide (CO₂) by 2020, which equates to 350 million gallons of fuel.
- John Wall, Cummins' Vice President - Chief Technical Officer, was honored by the California Air Resources Board with the Haagen-Smit Clean Air Award, which recognizes outstanding lifetime achievement in air-quality research, science and technology.
- For the fourth consecutive year, Cummins was recognized as a Top 25 Supply Chain company by Gartner.
- Cummins announced that John Wall, Vice President - Chief Technical Officer, will be retiring after nearly 30 years with the Company and that Jennifer Rumsey, Vice President of Engineering for Cummins' Engine Business, will take Wall's place.
- The Company announced a 25 percent increase in its quarterly dividend.

Second quarter 2015 detail (all comparisons to same period in 2014)

Engine Segment

- Sales - \$2.8 billion, up 2 percent.
- Segment EBIT - \$341 million, or 12.2 percent of sales, compared to \$311 million or 11.3 percent of sales.
- Strong demand in North American truck and bus markets was partially offset by weaker demand in global industrial markets and lower truck demand in Brazil.

Distribution Segment

- Sales - \$1.5 billion, up 21 percent, down 6 percent excluding acquisitions.
- Segment EBIT - \$113 million, or 7.6 percent of sales, compared to \$126 million or 10.2 percent of sales.
- Currency movements negatively impacted sales by 6 percent.
- Results in the second quarter of 2014 included a gain of \$14 million related to the acquisition of distributors in North America.

Components Segment

- Sales - \$1.4 billion, up 9 percent.
- Segment EBIT - \$223 million, or 16.0 percent of sales, compared to \$185 million or 14.5 percent of sales.
- Stronger demand in on-highway markets in North America, Europe, and China more than offset weakness in Brazil.

Power Generation Segment

- Sales - \$747 million, up 1 percent.
 - Segment EBIT - \$57 million, or 7.6 percent of sales, compared to \$61 million, or 8.2 percent of sales.
 - Increased international sales in the Middle East, Asia Pacific and India more than offset lower sales in North America and a 4 percent reduction in revenues due to currency movements.
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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 54,600 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 \$1.65 billion on sales of \$19.2 billion in 2014. Press releases can be found on the Web at www.cummins.com. Follow Cummins on Twitter at www.twitter.com/cummins and on YouTube at www.youtube.com/cummininc.

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 for the full year of 2015. 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 action; 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.

Presentation of Non-GAAP Financial Information

EBIT 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. Cummins presents this information as it believes it is useful to understanding the Company's operating performance, and because EBIT 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. EST. 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.