

Every Promise. Delivered.

Mid-America Truck Show
March 27, 2008





Welcome and Introductions

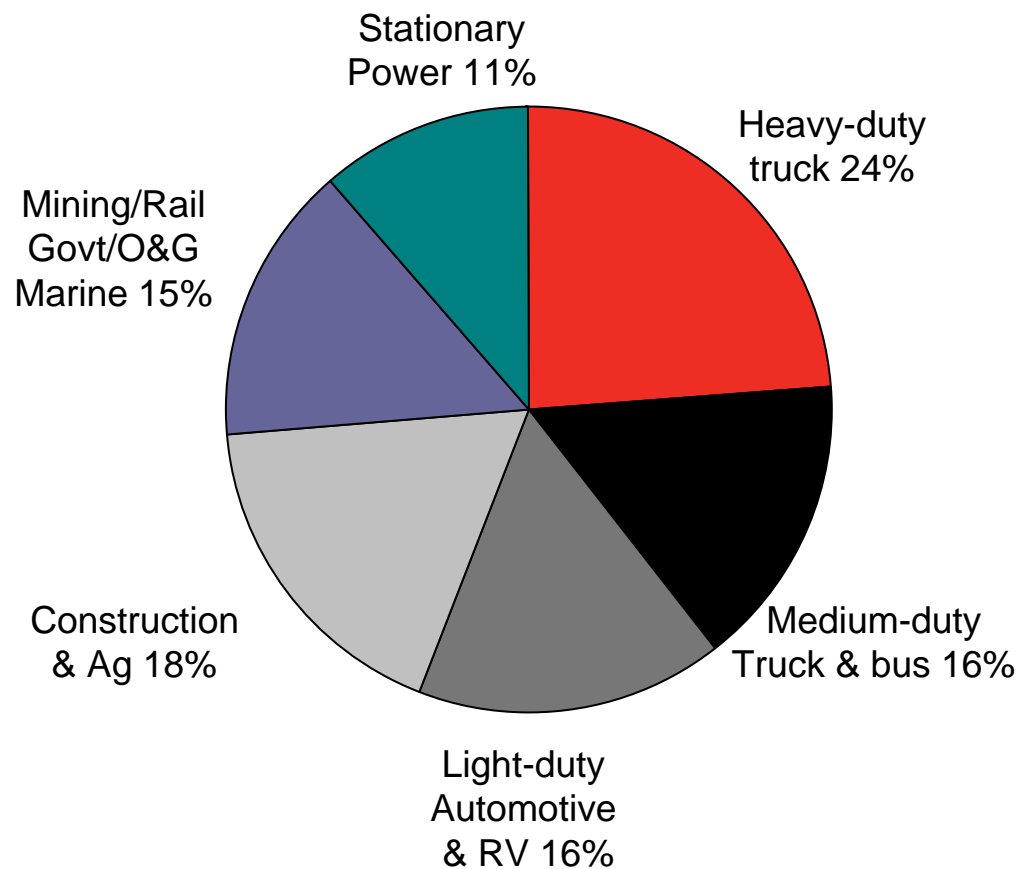
- David Geraghty – Commercial Vehicle Engine Business
- Dan Davis – Emission Solutions – Global OEM Business
- Shawn Wasson – Auxiliary Power Unit Business, Power Generation



Engine Segment

2007 Revenue by Market Application

- Gaining market share in on-highway markets
- Industrial markets supported by non-residential construction and commodity markets
- Expanding capacity to meet growing demand



2007 Segment Data

Sales: \$8.2 billion

EBIT: \$589 million

EBIT Margin: 7.2%

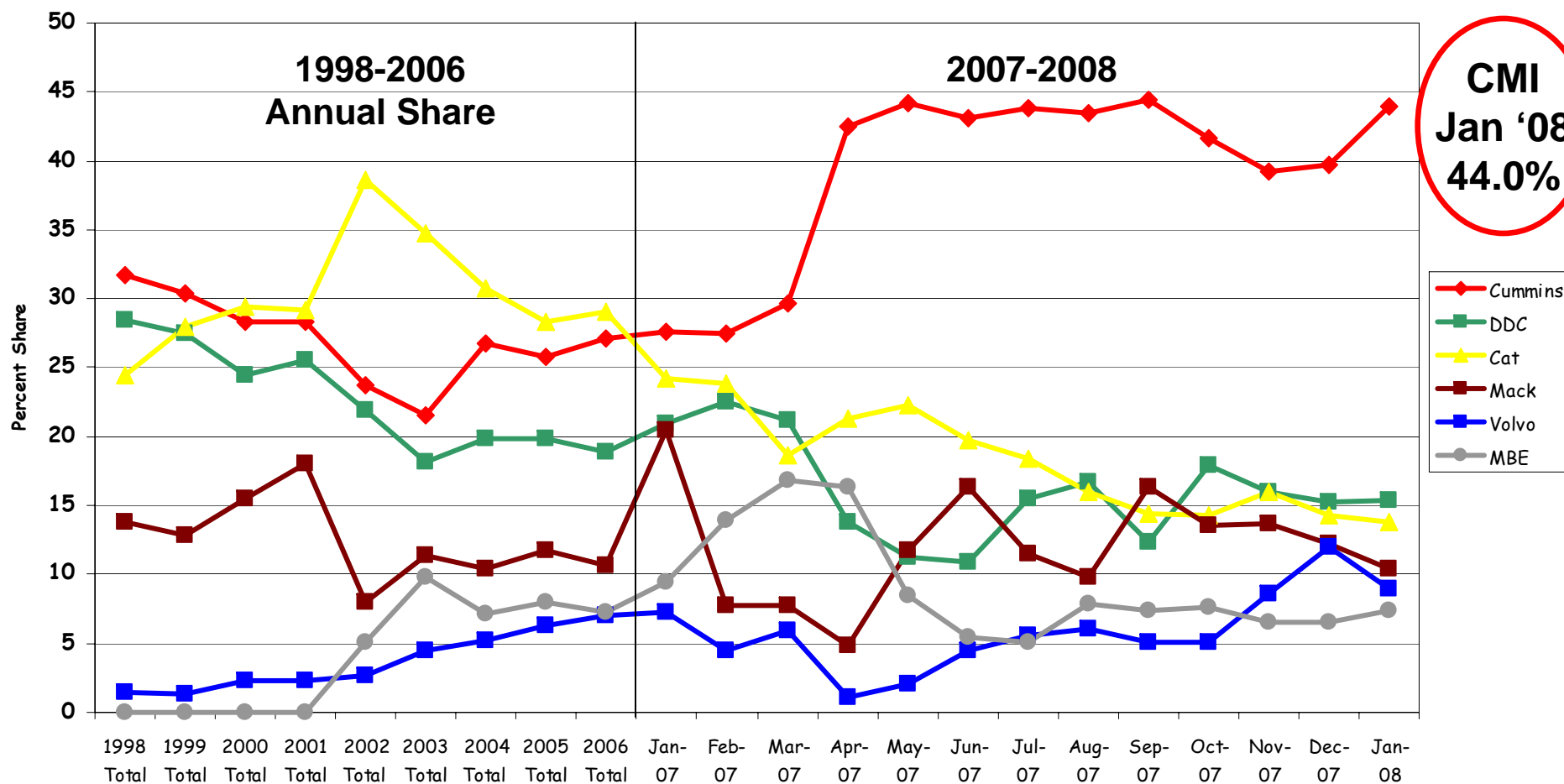


Cummins Delivers the Right Technology – On Time, Every Time –

- We developed the best solutions in the market for the EPA07 emissions regulations
- We were ready to go when the new rules demanded – Again!
- Customers prefer Cummins' power



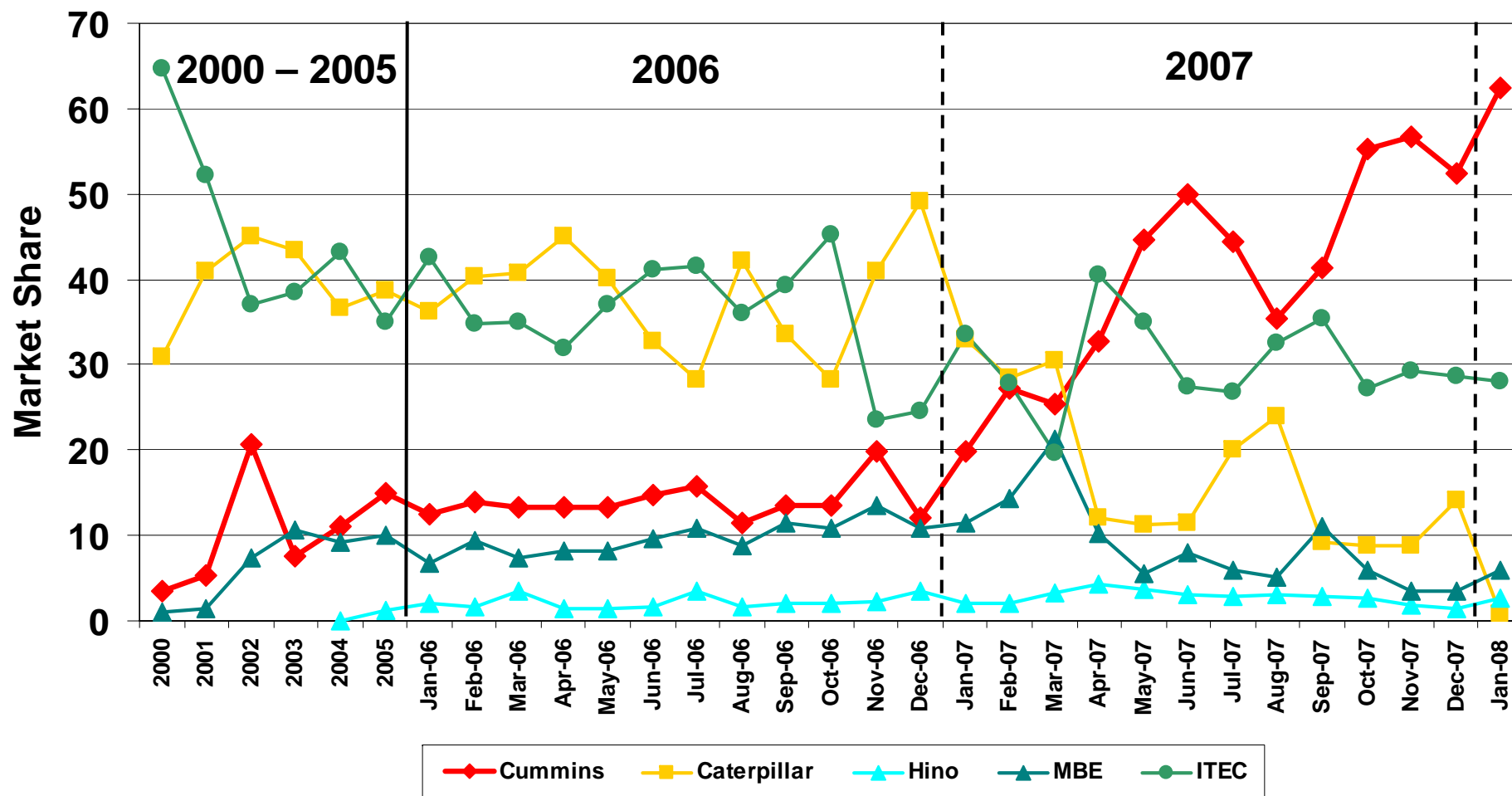
North American Heavy-Duty Truck Shipments Engine Market Share*, January 2008



CMI
Jan '08
44.0%



Class 7 MDT Engine Market Share* January 2008





Designing For Medium-Duty Customers



- Reliability
- Total cost of ownership
- Low maintenance
- Power density

Overall Best Value

- Sociability
- Safe operation
- Weight/space
- Minimal driver training
- Ease of operation
- Information systems
- Emissions compliance



Designing Engines For The Heavy-Duty Market

- High uptime
- Low fuel consumption
- Operational efficiency
- High residual value

Lowest Cost of Ownership



- High performance
- Safe operation
- Ease of operation
- Driver satisfaction
- Information systems
- Sociability
- Emissions compliance



Complementing Proprietary Offerings

T 6 6 0



We won't compete with our OEMs – we help them sell more trucks





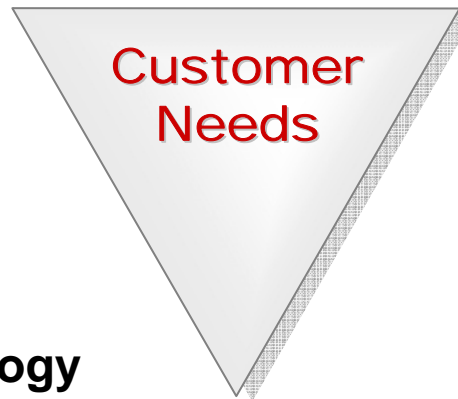
The Right Technology

Integrated Technology to Meet EPA 2010

Mid-Range Engines

- ✓ Diverse applications
- ✓ Power range
- ✓ Best value

Evolution of 2007 technology
Proven SCR aftertreatment



Heavy-Duty Engines

- ✓ Uptime
- ✓ Operational efficiency
- ✓ Low cost of ownership

Evolution of 2007 technology
No NOx aftertreatment
HD XPI fuel system



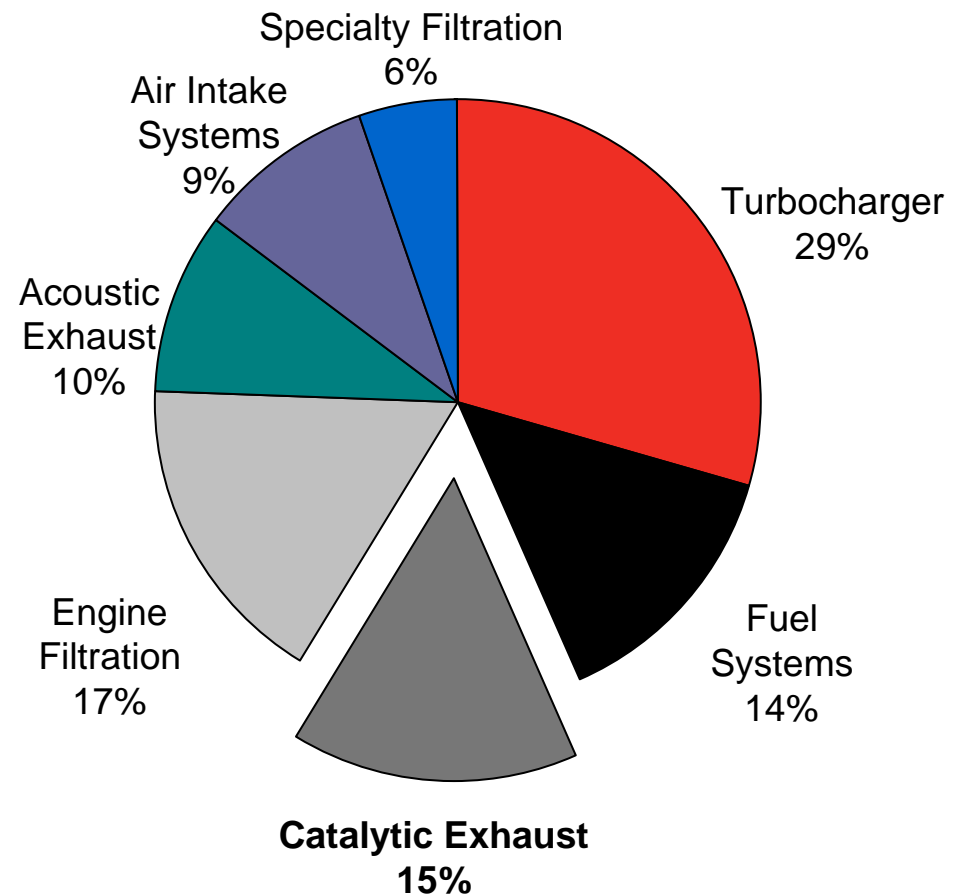
Cummins Emission Solutions



Components Segment

2007 Revenue by Product

- New products launched
- Industry leading technology
- Capacity expansion
- Grow with CMI and non-CMI engine volumes
- Leverage global distribution to grow aftermarket



2007 Segment Data

Sales: \$2.9 billion

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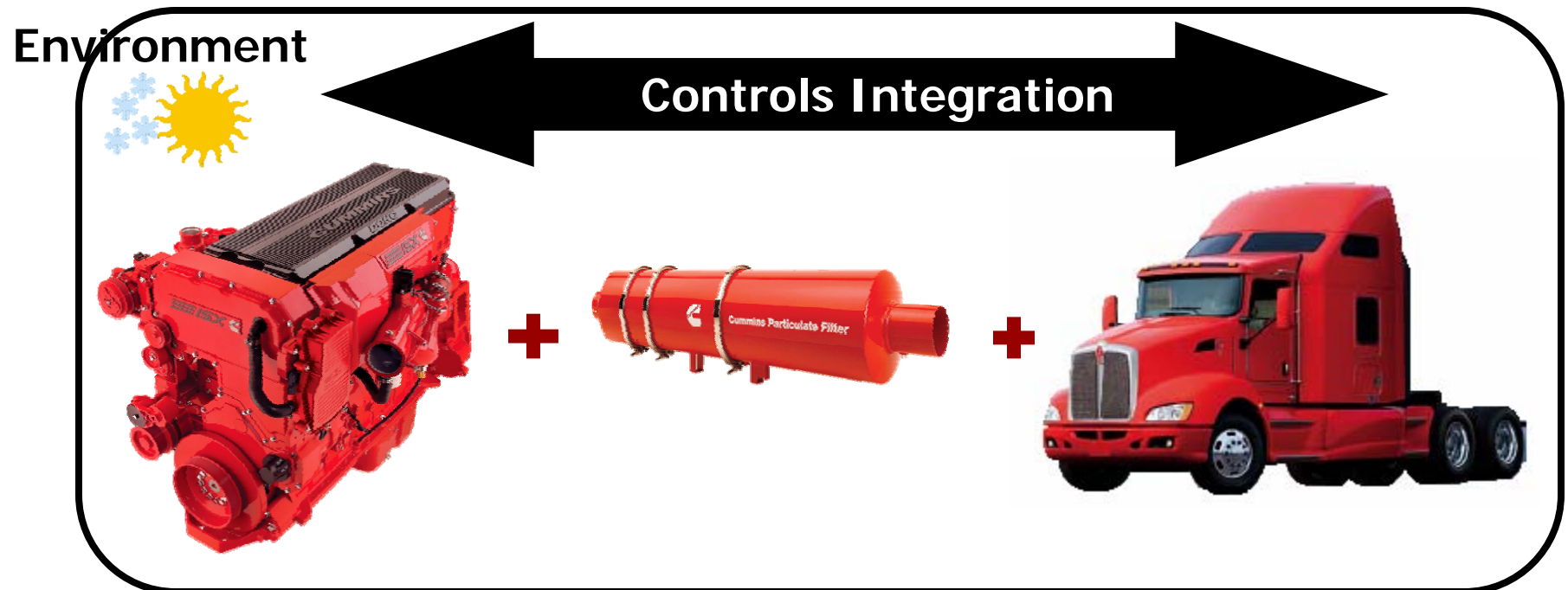
What We Do For Customers

Cost Effectively Solve
Their Emissions Challenges

with

World-Class Aftertreatment
Technology And Service

System Integration is Critical





Why Are Customers Responding?

- The task is daunting
- Functionality in ALL applications
- Reliability
- Durability
- Serviceability
- Integration with controls, engines and vehicles
- Noise
- Safety





CES Capabilities

- Design
- Controls – hardware and software
- Components – dosing systems
- Reliability
- Sourcing scale





Success For EPA2007 – Euro IV

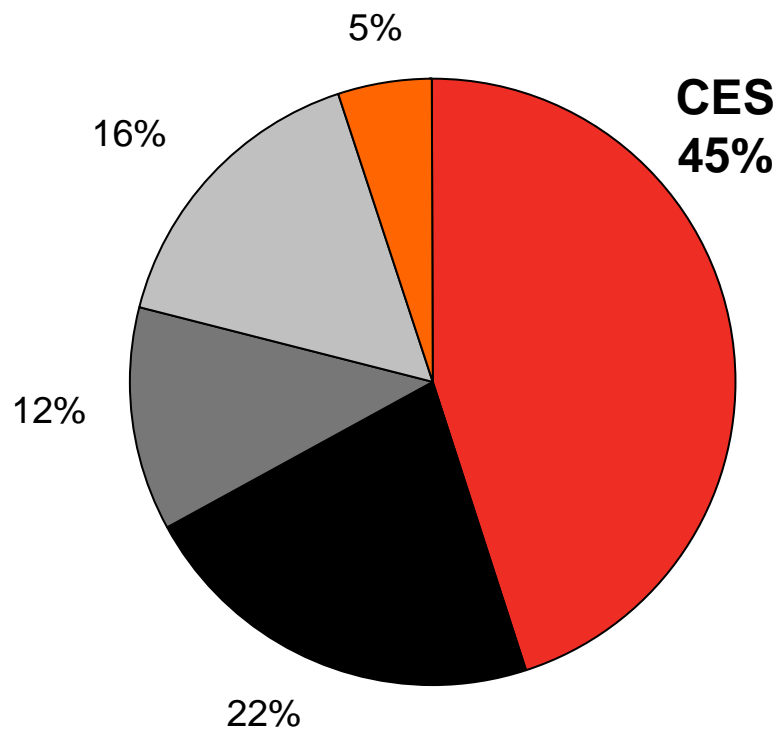
- 10 engine platforms
- More than 100 vehicle manufacturers
- Capacity for 200,000+ units for medium-duty/heavy-duty in North America
- Capacity for 150,000+ units in Europe
- China, Brazil expansion



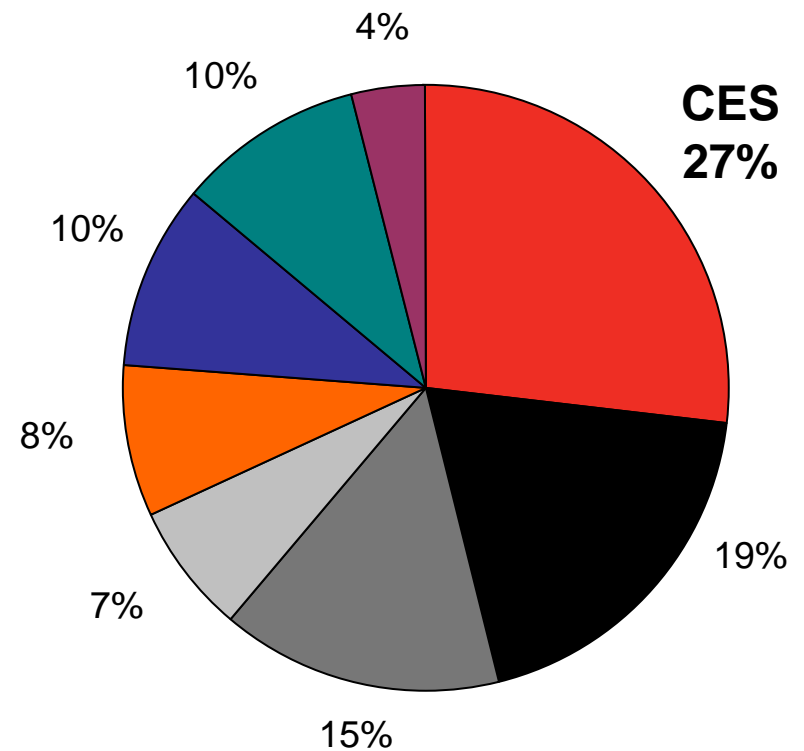


Leadership Position in Medium-duty / Heavy-duty Truck Aftertreatment

EPA 2007 Market Share



Euro 4 Market Share



Investing For The Future

- On-highway
 - 2010
 - Euro V / Euro VI
 - Euro IV in Brazil, India, China

- Off-highway
 - Tier 4 – North America, Western Europe, Japan





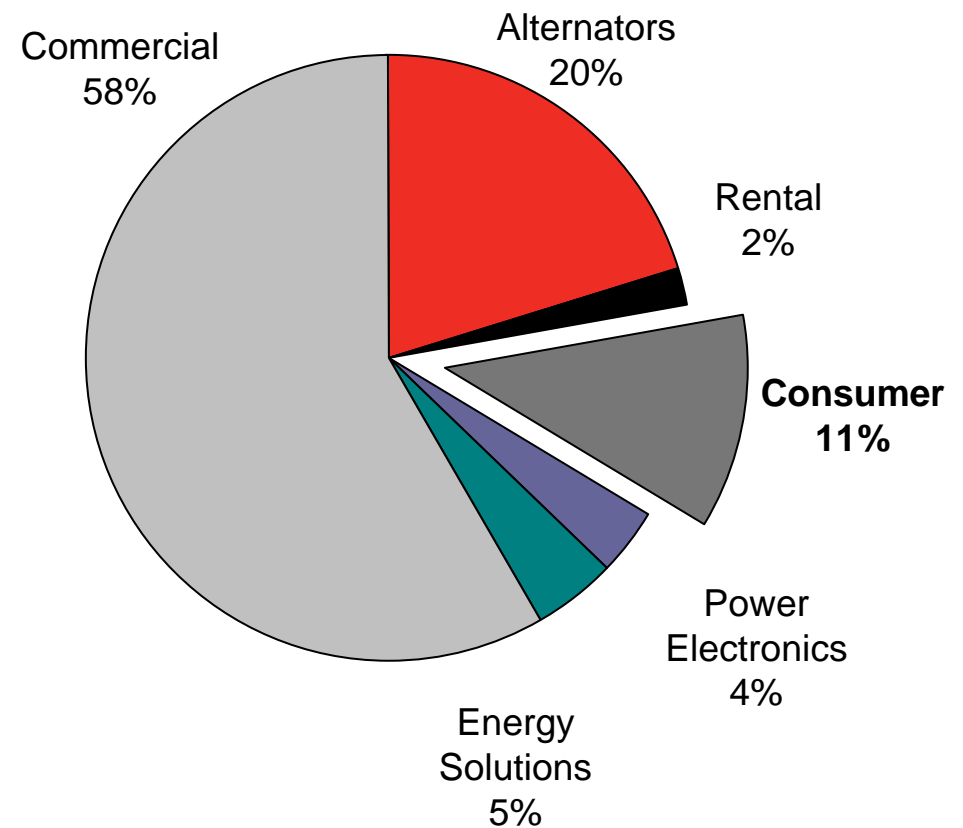
Cummins Power Generation Auxiliary Power Units



Power Generation Segment

2007 Revenue by Product

- Capitalize on industry growth
- Leverage existing market leadership
- Establish leadership in all major markets
- Expand into new and adjacent markets



2007 Segment Data
Sales: \$3.1 billion
EBIT: \$334 million
EBIT Margin: 10.9%



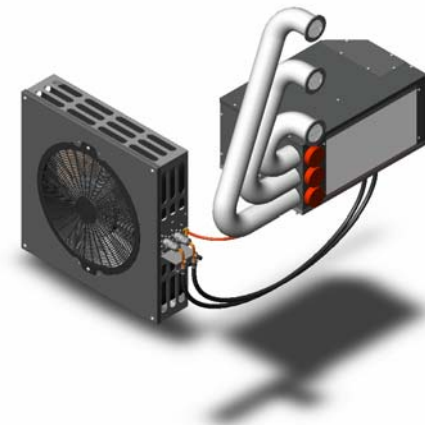
Expand Into New and Adjacent Markets





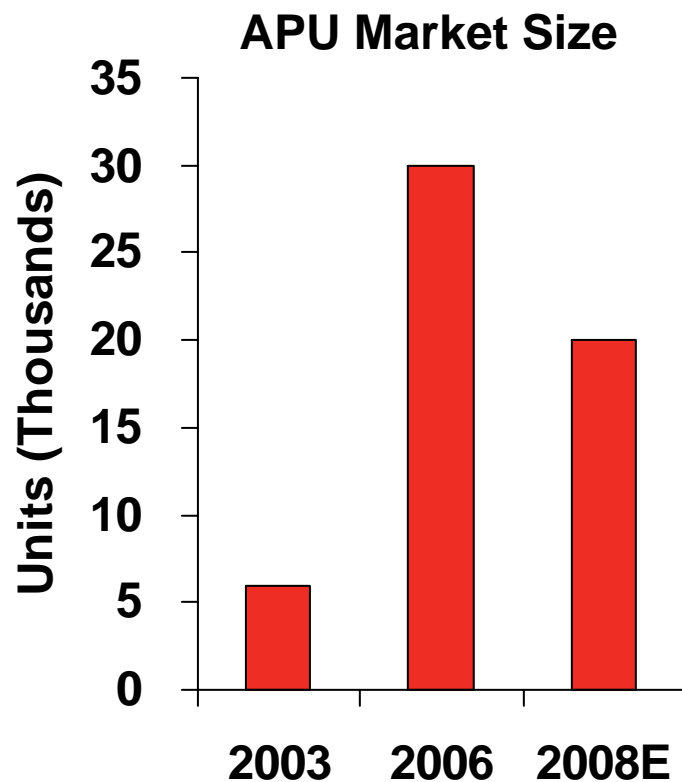
ComfortGuard APU System

- Integrated system which eliminates the need to idle the main vehicle engine
- Reduces fuel consumption up to 80%, compared to idling the main engine
- Payback period of 1-2 years
- Utilize proven small kw diesel platform used in all Consumer markets
- Successfully launched in 2007
 - Considered among the market leaders by end of first year
 - Secured first fit availability with Volvo Trucks N.A.





Cummins Poised for Growth, Even in Down Market



- APU Business connected to North America Truck Market
- Cummins channel more capable today
- First fit sales with Volvo
- CARB approval for Integrated DPF solution, **first** approved system
- ComfortGuard is one part of a portfolio of Cummins solutions to address idling



Cummins Delivers the Right Technology – On Time, Every Time –

- We have developed the best solutions in the market for the EPA '07 and '10 emissions regulations
- Customers recognize Cummins for our technology leadership and dependability
- We are investing in the next generation of profitable growth opportunities in global on-highway markets

Thank You for Your Interest in



For Additional Information Contact:
Dean Cantrell, Director – Investor Relations
(812) 377-3121
Dean.A.Cantrell@Cummins.com
www.Cummins.com

Appendix

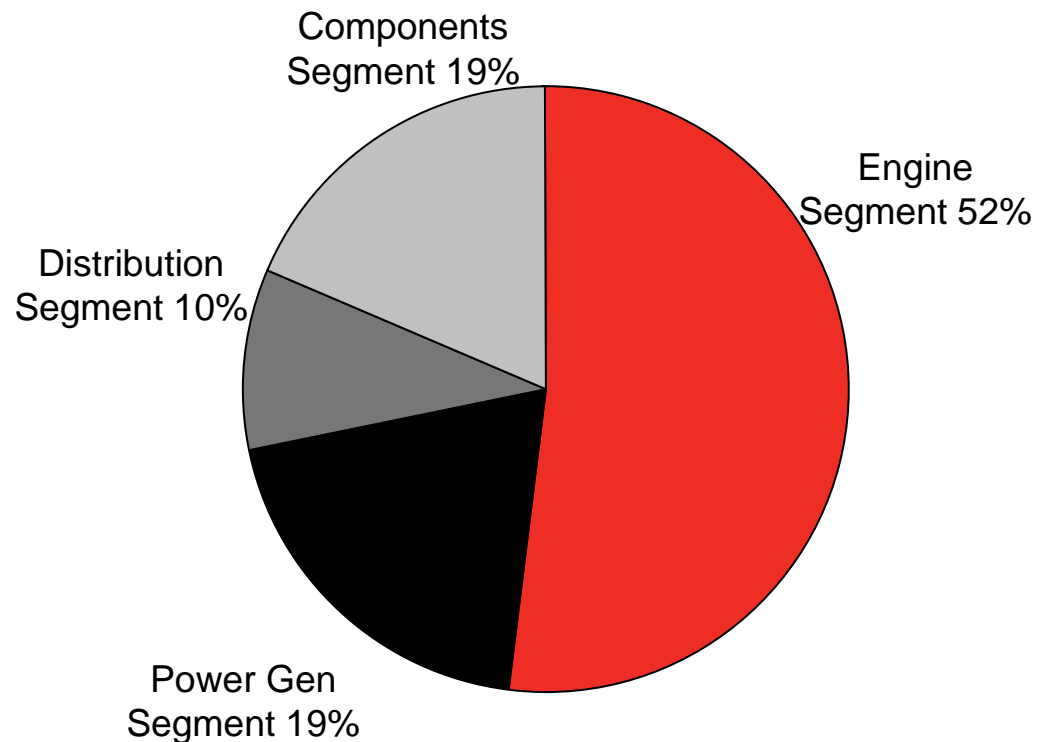




Cummins Inc.

- Macro growth trends play to Cummins' strengths
- Disciplined investment for growth
- Demonstrated technology leadership

2007 Revenue by Segment



2007 Data

Sales: \$13.0 billion

EBIT: \$1,227 million

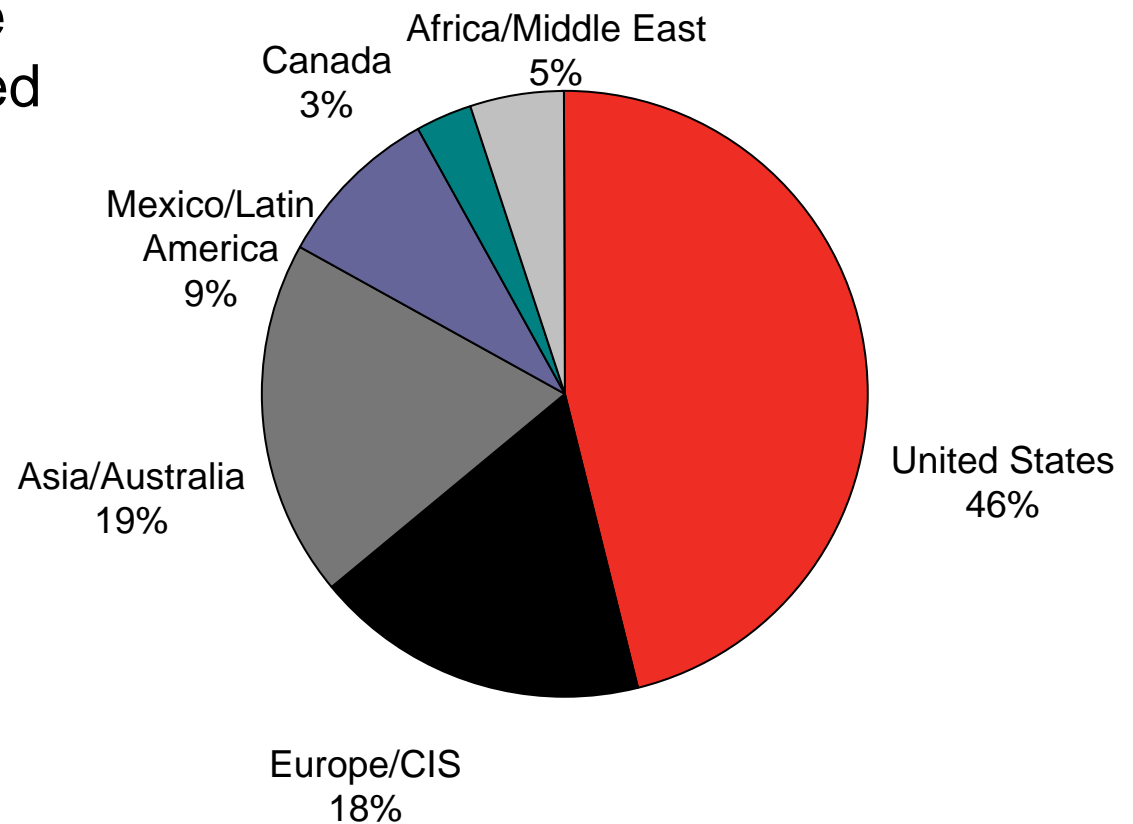
EBIT Margin: 9.4%



Cummins Inc.

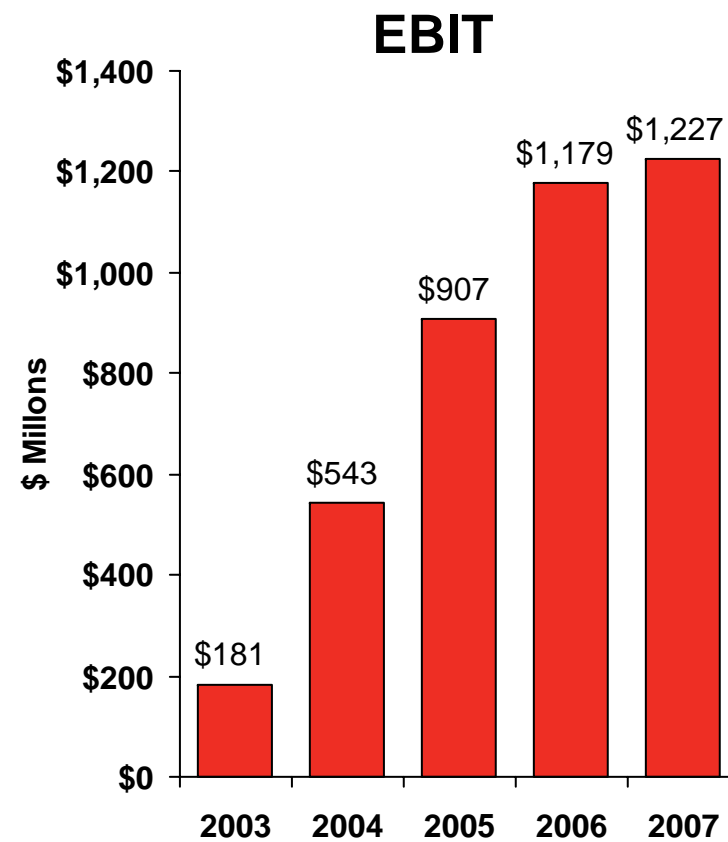
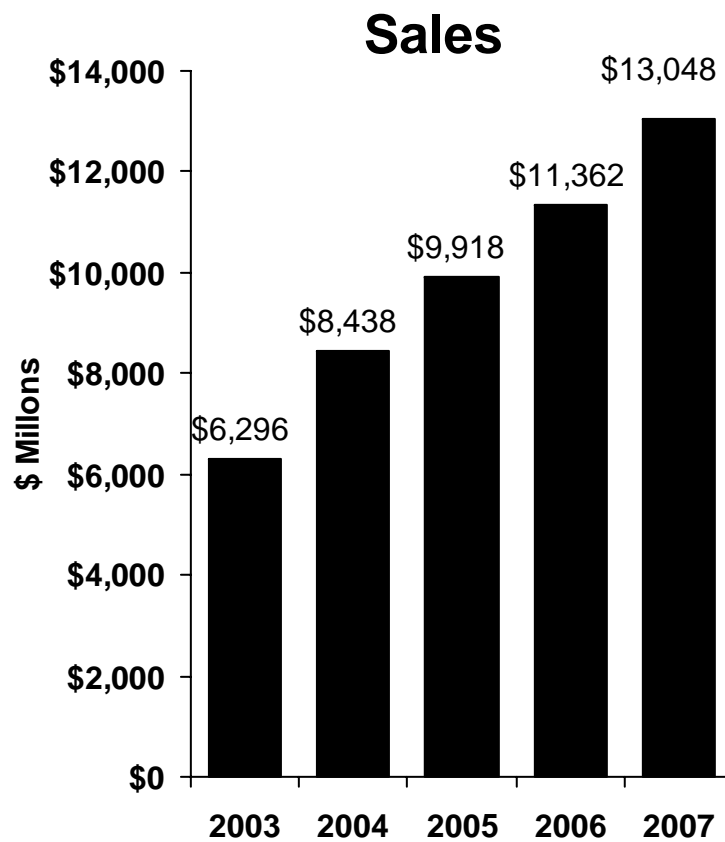
2007 Revenue by Marketing Territory

- International revenue is 54% of consolidated revenue in 2007
- Most international areas growing at double digit rate
- Demonstrates our geographic diversity





Cummins - Historical Performance

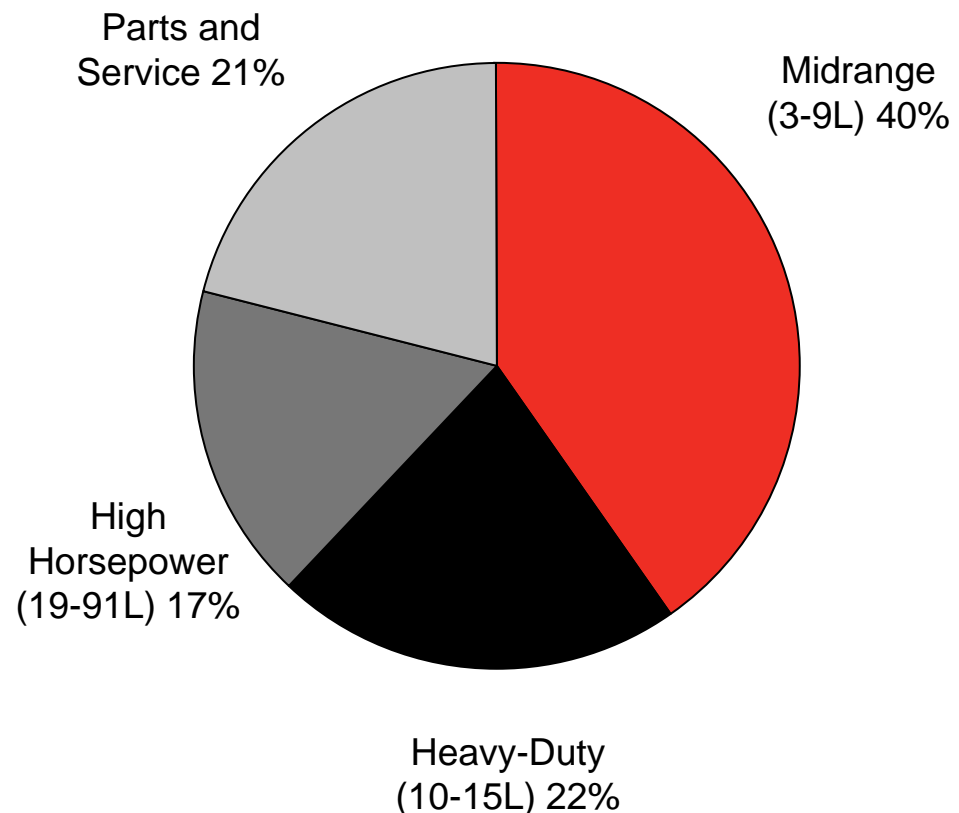




Engine Segment

- Emission regulations create opportunities
- Emerging markets
- Strategic OEM partnerships
- New engine platforms
- Aftermarket revenue creates stable earnings

2007 Revenue by Product



2007 Segment Data

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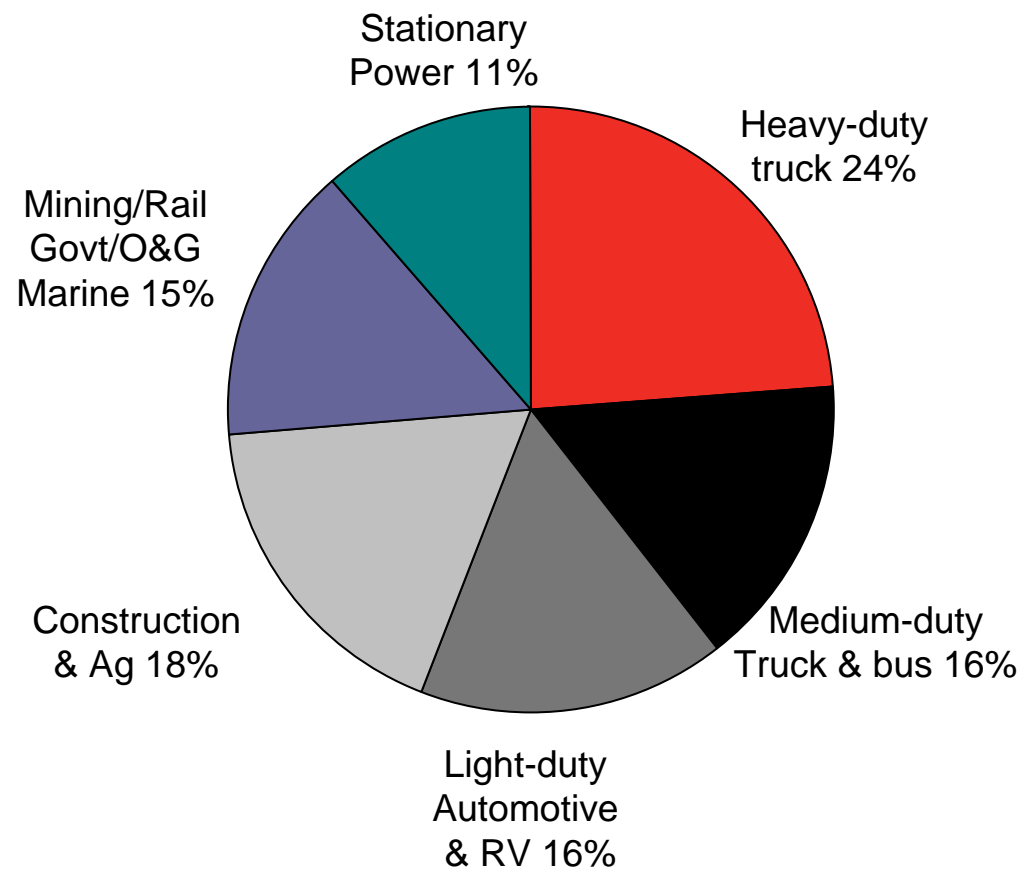
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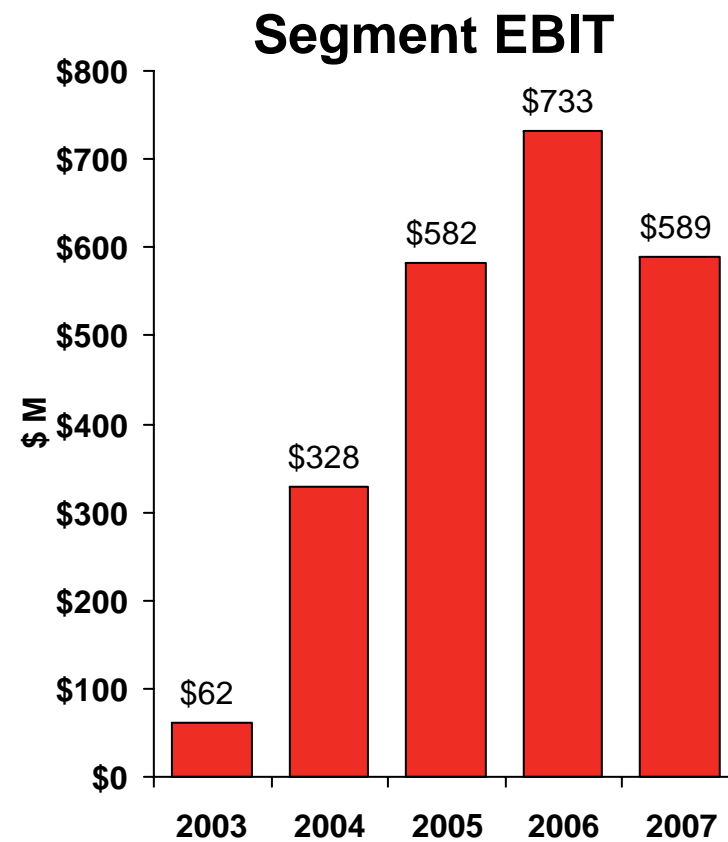
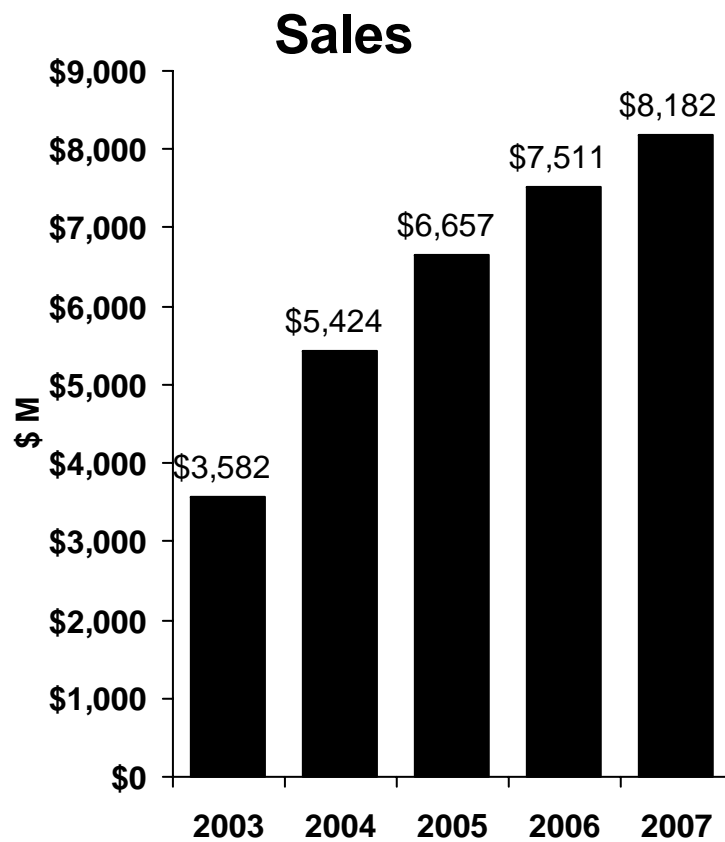
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EBIT: \$589 million

EBIT Margin: 7.2%



Engines – Historical Performance

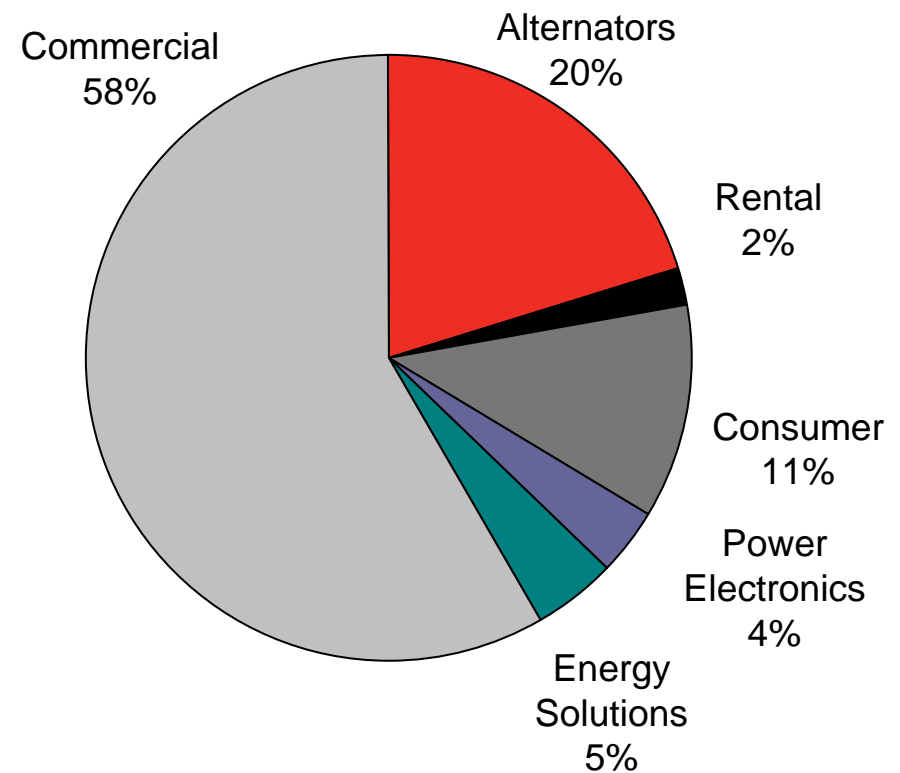




Power Generation Segment

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2007 Segment Data

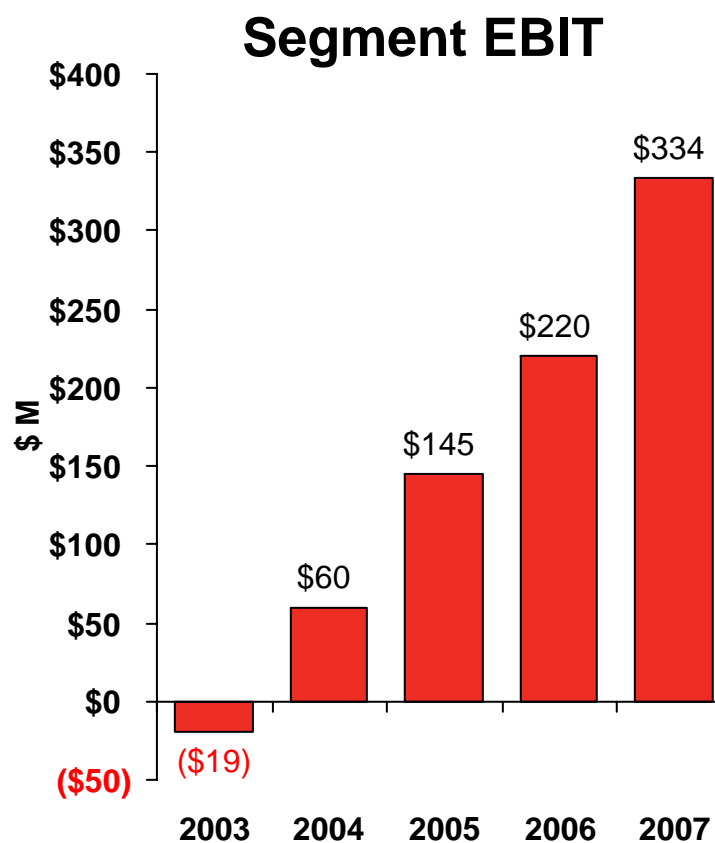
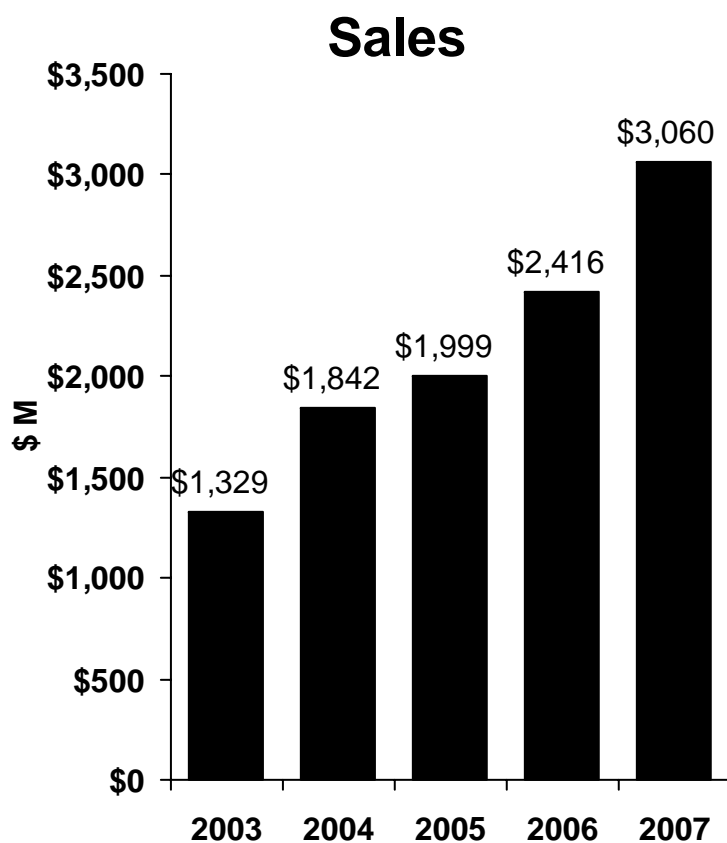
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EBIT: \$334 million

EBIT Margin: 10.9%



Power Generation - Historical Performance

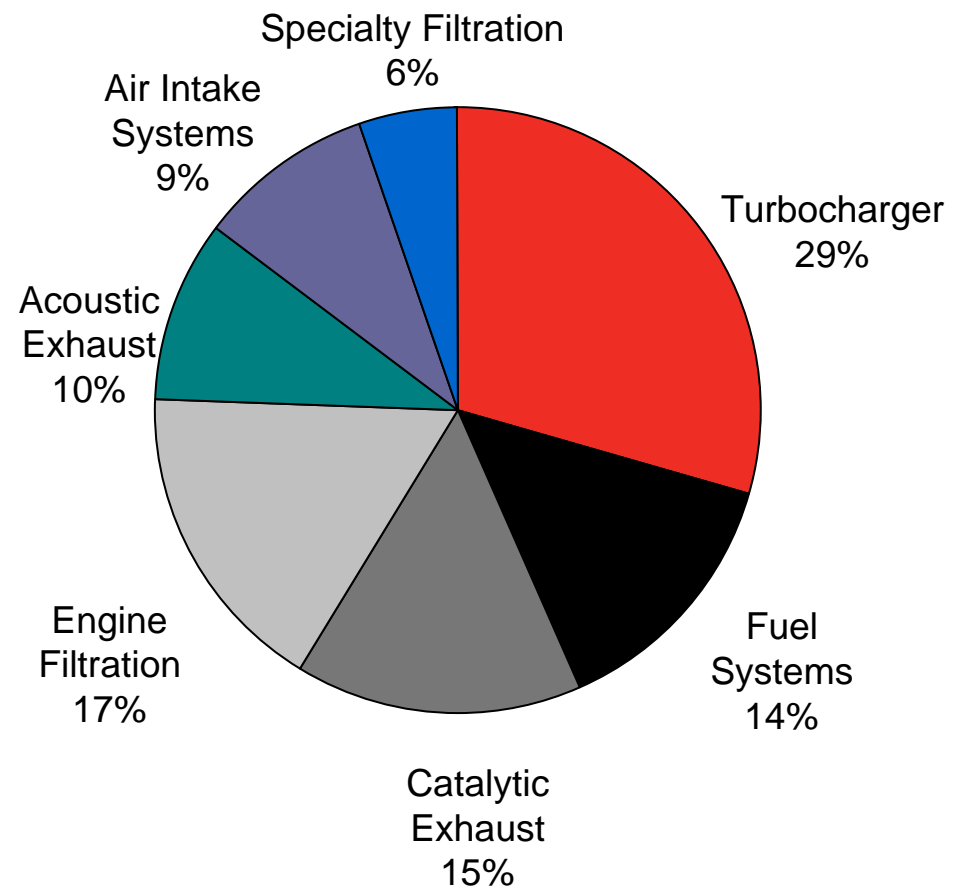




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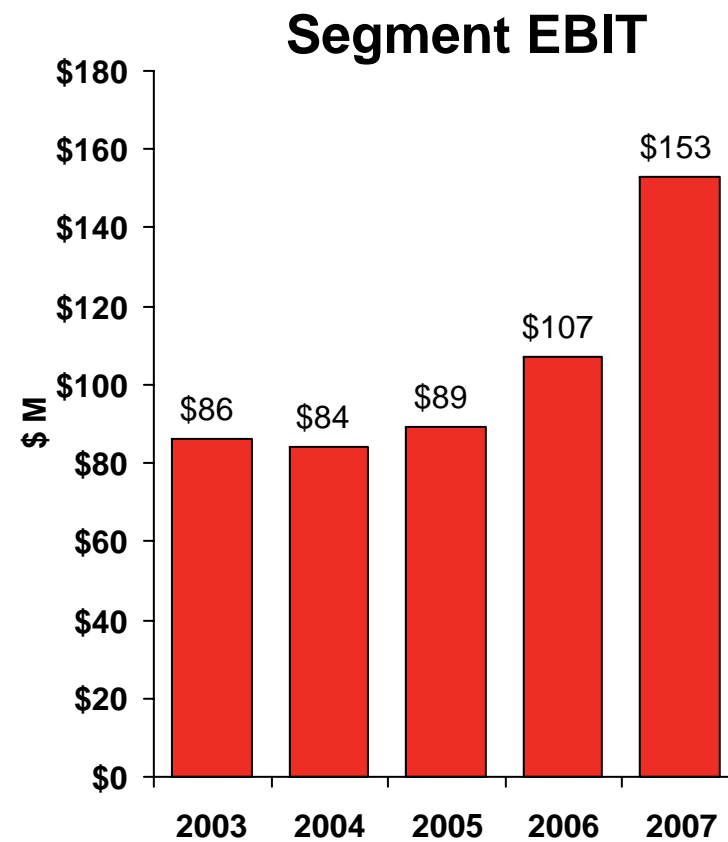
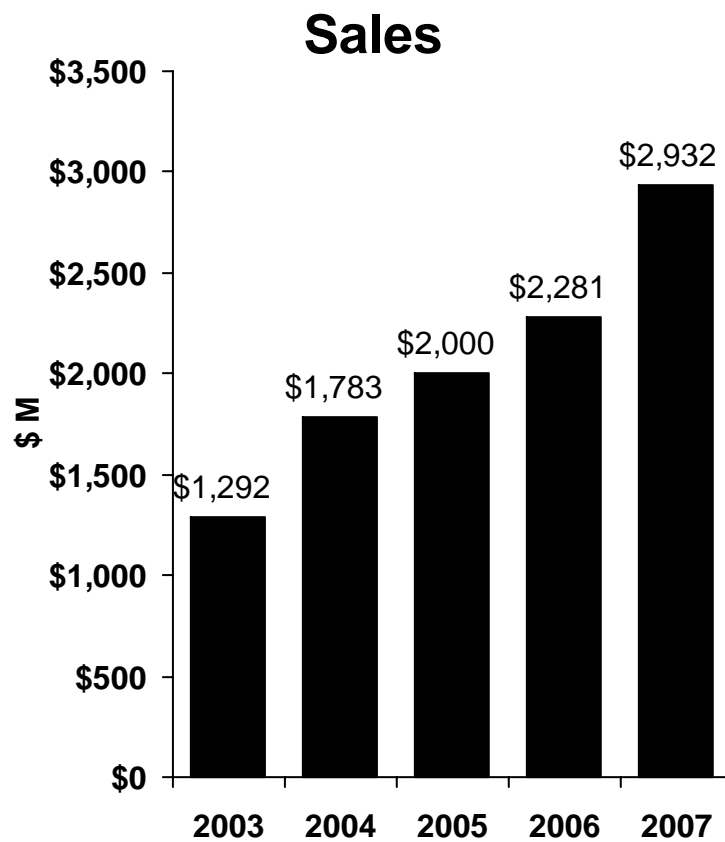
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Components - Historical Performance

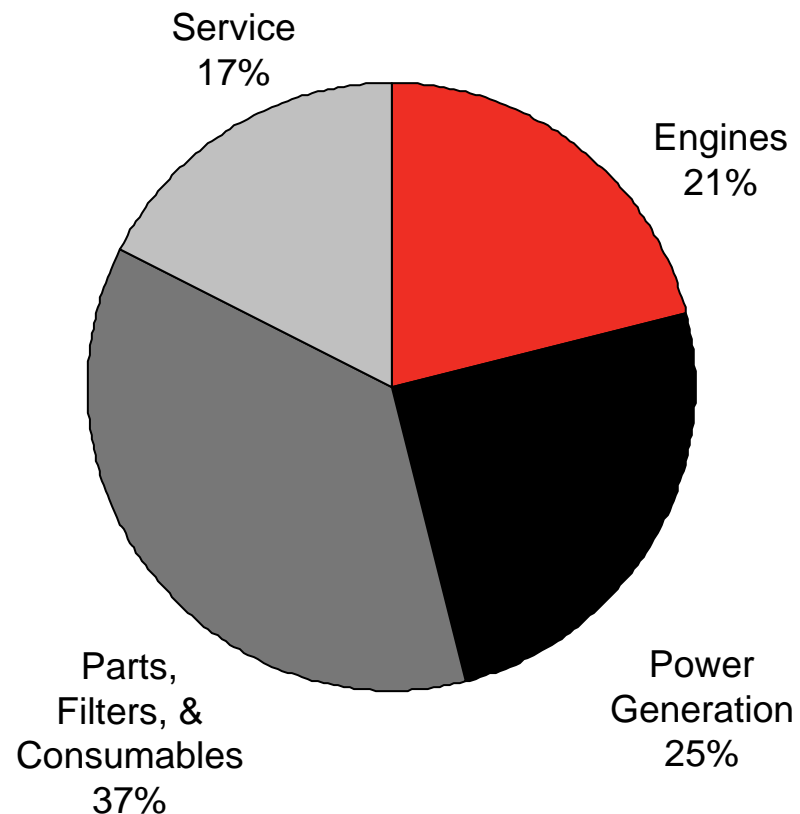




Distribution Segment

2007 Revenue by Product

- Continue acquisitions, consolidations and integrations
- Leverage Cummins equipment growth
- World-class customer support
- Build capabilities – invest in growing regions



2007 Segment Data

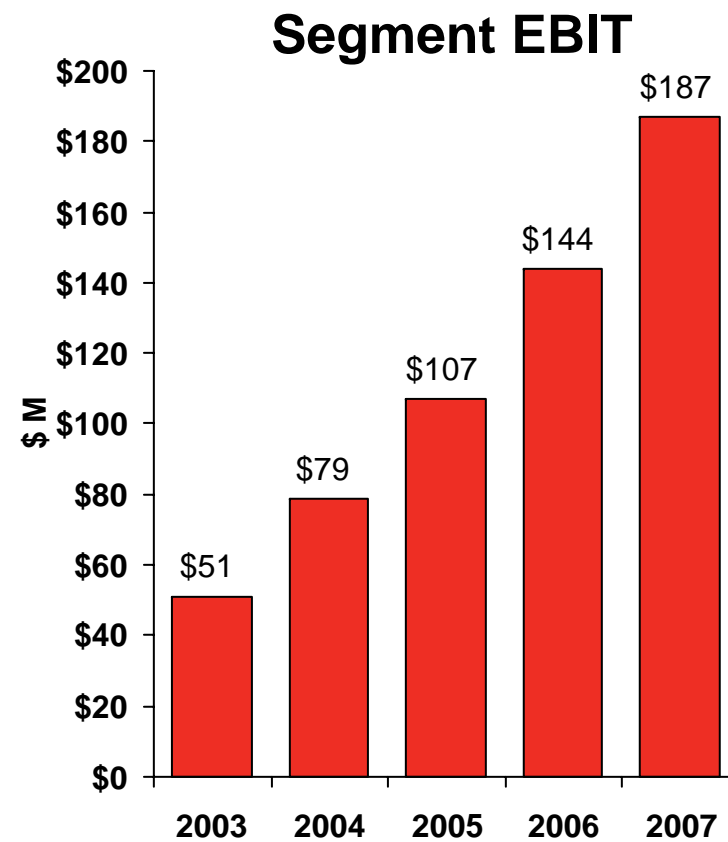
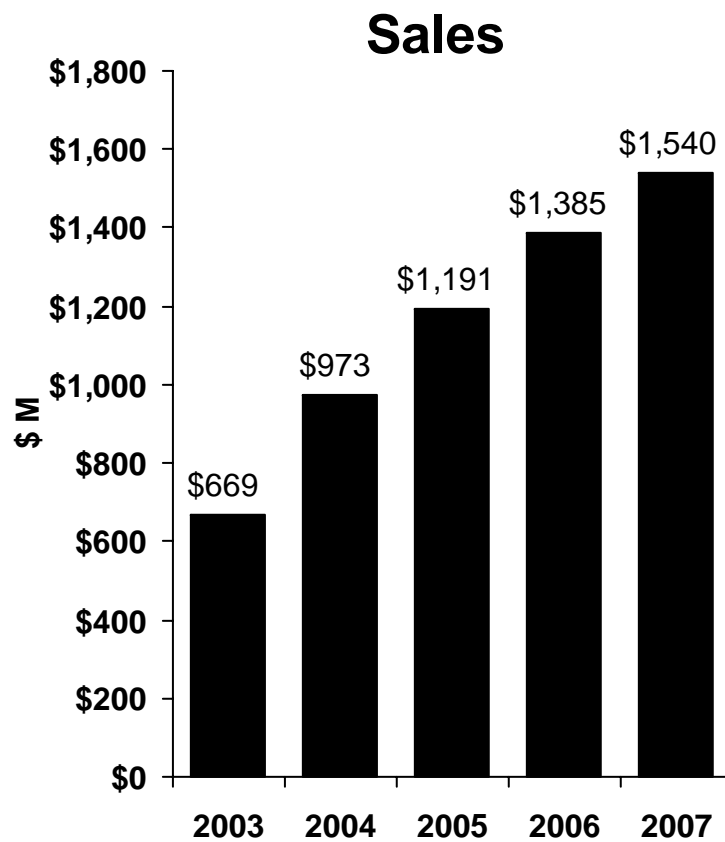
Sales: \$1.5 billion

EBIT: \$187 million

EBIT Margin: 12.1%

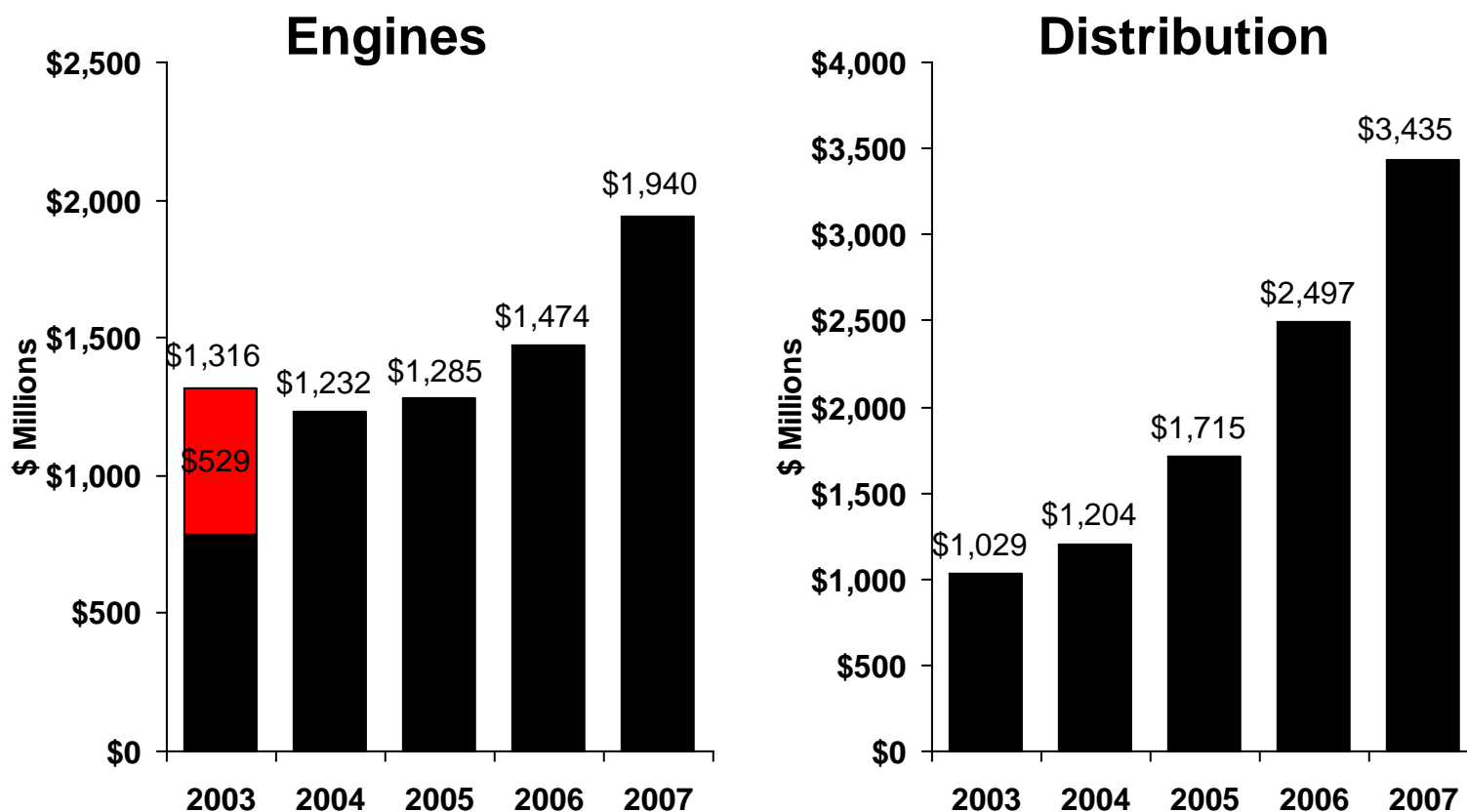


Distribution – Historical Performance





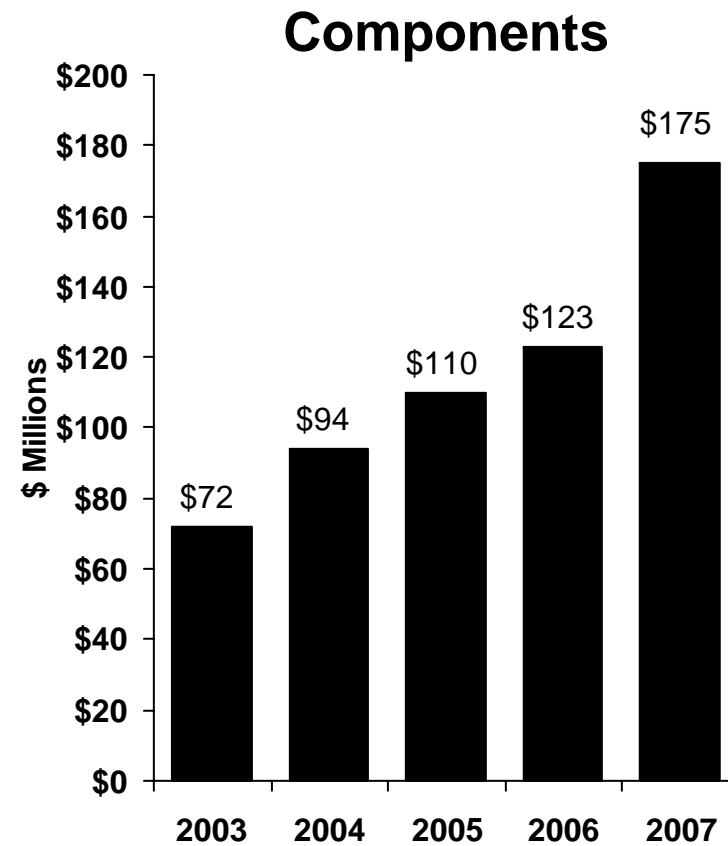
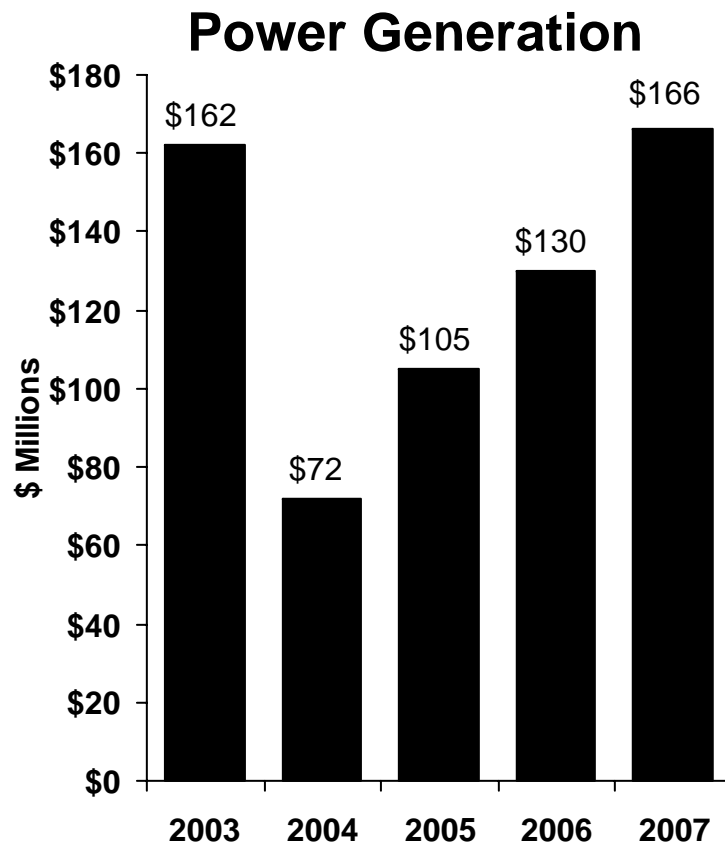
Joint Venture Sales Unconsolidated



In 2003, sales from certain JVs (colored red above) were treated as unconsolidated; adoption of FIN 46R in 2004 required the company to consolidate the results of certain JVs.



Joint Venture Sales Unconsolidated



Non-GAAP Reconciliations





Non-GAAP Reconciliation – EBIT

Millions	<u>Years Ended</u>				
	2003	2004	2005	2006	2007
EBIT	\$ 181	\$ 543	\$ 907	\$ 1,179	\$ 1,227
Less: Interest Expense	<u>\$ 90</u>	<u>\$ 111</u>	<u>\$ 109</u>	<u>\$ 96</u>	<u>\$ 58</u>
Earnings before income taxes and minority interests	\$ 91	\$ 432	\$ 798	\$ 1,083	\$ 1,169

We define EBIT as earnings before interest expense, provision for income taxes and minority interests in earnings of consolidated subsidiaries. We use EBIT to assess and measure the performance of our operating segments and also as a component in measuring our variable compensation programs. The table above reconciles EBIT, a non-GAAP financial measure, to our consolidated earnings before income taxes and minority interests, for each of the applicable periods.

We believe EBIT is a useful measure of our operating performance for the periods presented as it illustrates our operating performance without regard to financing methods, capital structure or income taxes. 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.