



First Quarter 2023 Earnings Teleconference

May 2, 2023

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Disclosure Regarding Forward-Looking Statements

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 and EBITDA. 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: any adverse results of our internal review into our emissions certification process and compliance with emission standards; increased scrutiny from regulatory agencies, as well as unpredictability in the adoption, implementation and enforcement of emission standards around the world; changes in international, national and regional trade laws, regulations and policies; changes in taxation; global legal and ethical compliance costs and risks; evolving environmental and climate change legislation and regulatory initiatives; future bans or limitations on the use of diesel-powered products; failure to successfully integrate and / or failure to fully realize all of the anticipated benefits of the acquisition of Meritor, Inc.; raw material, transportation and labor price fluctuations and supply shortages; any adverse effects of the conflict between Russia and Ukraine and the global response (including government bans or restrictions on doing business in Russia); aligning our capacity and production with our demand; the actions of, and income from, joint ventures and other investees that we do not directly control; large truck manufacturers' and original equipment manufacturers' customers discontinuing outsourcing their engine supply needs or experiencing financial distress, or change in control; product recalls; variability in material and commodity costs; the development of new technologies that reduce demand for our current products and services; lower than expected acceptance of new or existing products or services; product liability claims; our sales mix of products; failure to complete, adverse results from or failure to realize the expected benefits of the separation of our filtration business; our plan to reposition our portfolio of product offerings through exploration of strategic acquisitions and divestitures and related uncertainties of entering such transactions; increasing interest rates; challenging markets for talent and ability to attract, develop and retain key personnel; climate change, global warming, more stringent climate change regulations, accords, mitigation efforts, greenhouse gas (GHG) regulations or other legislation designed to address climate change; exposure to potential security breaches or other disruptions to our information technology environment and data security; political, economic and other risks from operations in numerous countries including political, economic and social uncertainty and the evolving globalization of our business; competitor activity; increasing competition, including increased global competition among our customers in emerging markets; failure to meet environmental, social and governance (ESG) expectations or standards, or achieve our ESG goals; labor relations or work stoppages; foreign currency exchange rate changes; the performance of our pension plan assets and volatility of discount rates; the price and availability of energy; continued availability of financing, financial instruments and financial resources in the amounts, at the times and on the terms required to support our future business; and other risks detailed from time to time in our SEC filings, including particularly in the Risk Factors section of our 2022 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. 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 SEC, which are available at <http://www.sec.gov> or at <http://www.cummins.com> in the Investor Relations section of our website.

Q1 2023 Summary

- **First quarter revenues of \$8.5 billion**
- **First quarter results include \$18 million of cost related to the separation of the Filtration business**
- **EBITDA of \$1,361 million or 16.1 percent of sales**
 - **EBITDA of \$1,379 million or 16.3 percent of sales excluding \$18 million of cost related to the separation of the Filtration business**
- **GAAP¹ Net Income of \$790 million and Diluted EPS \$5.55**
 - **Net income of \$804 million and Diluted EPS of \$5.65 excluding the cost related to the separation of the Filtration business**
- **We are raising our full year outlook with sales up 15% - 20% and EBITDA at 15.0% - 15.7%**
 - **Compares to prior guidance of sales up 12% - 17% and EBITDA at 14.5% - 15.2%**
 - **EBITDA outlook excludes the costs related to the separation of the Filtration business**

¹ Generally Accepted Accounting Principles

Cummins Inc.

Selected Financial Data - Quarter

\$ MILLIONS	Q1 2023	Q1 2022
Sales	8,453	6,385
Gross Margin (% of Sales) ¹	24.0%	24.9%
SAR (% of Sales) ²	12.9%	14.0%
EBITDA ³	1,379	930
EBITDA (% of Sales) ³	16.3%	14.6%
Net Income attributable to Cummins Inc. ⁴	804	578
Net Income (% of Sales) ⁴	9.5%	9.1%
Diluted EPS ⁵	\$5.65	\$4.04
Dividend Per Share	\$1.57	\$1.45
ROANA (LTM) ⁶	29%	27%
ROIC (LTM) ⁶	17%	16%

¹ Gross Margin: Q1 2023 excluding \$2 million of cost related to the separation of the Filtration business, Q1 2022 excluding \$59 million of cost related to the indefinite suspension of operations in Russia

² SAR: Q1 2023 excluding \$16 million of cost related to the separation of the Filtration business, Q1 2022 excluding \$17 million of cost related to the separation of the filtration business

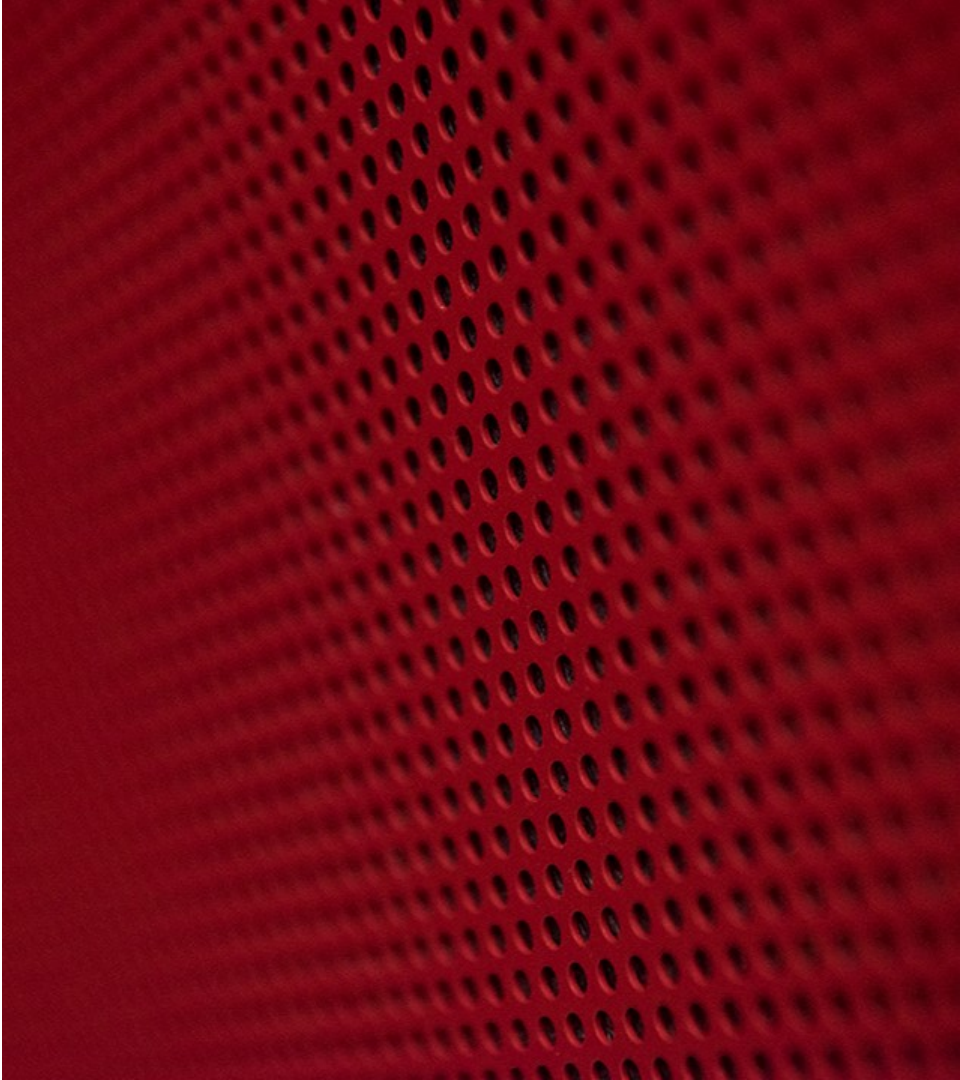
³ EBITDA: Q1 2023 excluding \$18 million of cost related to the separation of the Filtration business, Q1 2022 excluding \$158 million of cost related to the indefinite suspension of operations in Russia and \$17 million of cost related to the separation of the Filtration business

⁴ Net Income: Q1 2023 excluding \$14 million of cost related to the separation of the Filtration business, Q1 2022 excluding \$147 million of cost related to the indefinite suspension of operations in Russia and \$13 million of cost related to the separation of the Filtration business

⁵ Diluted EPS: Q1 2023 excluding \$0.10 per share of cost related to the separation of the Filtration business, Q1 2022 excluding \$1.03 per share of cost related to the indefinite suspension of operations in Russia and \$0.09 per share of cost related to the separation of the Filtration business

⁶ ROANA (LTM) and ROIC (LTM): Q1 2023 calculations exclude the cost related to the separation of the Filtration business and Q1 2022 calculations exclude the cost related to the indefinite suspension of operations in Russia and the cost related to the separation of the Filtration business

Q1 2023 Summary



Q1 2023 Net Sales and EBITDA by Segment

\$ MILLIONS	Engine	Distribution	Components	Power Systems	Accelera	Intersegment Eliminations	Total
Three months ended March 31, 2023							
Net Sales	2,986	2,406	3,557	1,343	85	(1,924)	8,453
<i>Sales growth vs 2022</i>	8%	14%	79%	16%	174%	16%	32%
EBITDA ¹	457	335	519	219	(94)	(57)	1,379
Segment EBITDA % ¹	15.3%	13.9%	14.6%	16.3%	NM ³		16.3%
Three months ended March 31, 2022							
Net Sales	2,753	2,117	1,988	1,160	31	(1,664)	6,385
EBITDA ²	422	210	326	110	(65)	(73)	930
Segment EBITDA % ²	15.3%	9.9%	16.4%	9.5%	NM ³		14.6%

¹ Excluding \$18 million of cost related to the separation of the Filtration business (see slide 8 for cost by segment)

² Excluding \$17 million of cost related to the separation of the Filtration business and \$158 million of net cost related to the indefinite suspension of operations in Russia

³ "NM" - not meaningful information

Q1 2023 EBITDA Detail

\$ MILLIONS	CMI	Engine Segment	Distribution Segment	Components Segment	Power Systems Segment	Accelera Segment	Eliminations
Reported EBITDA	1,361	457	335	507	219	(94)	(63)
Reported EBITDA included costs related to the separation of the Filtration business	(18)			(12)			(6)

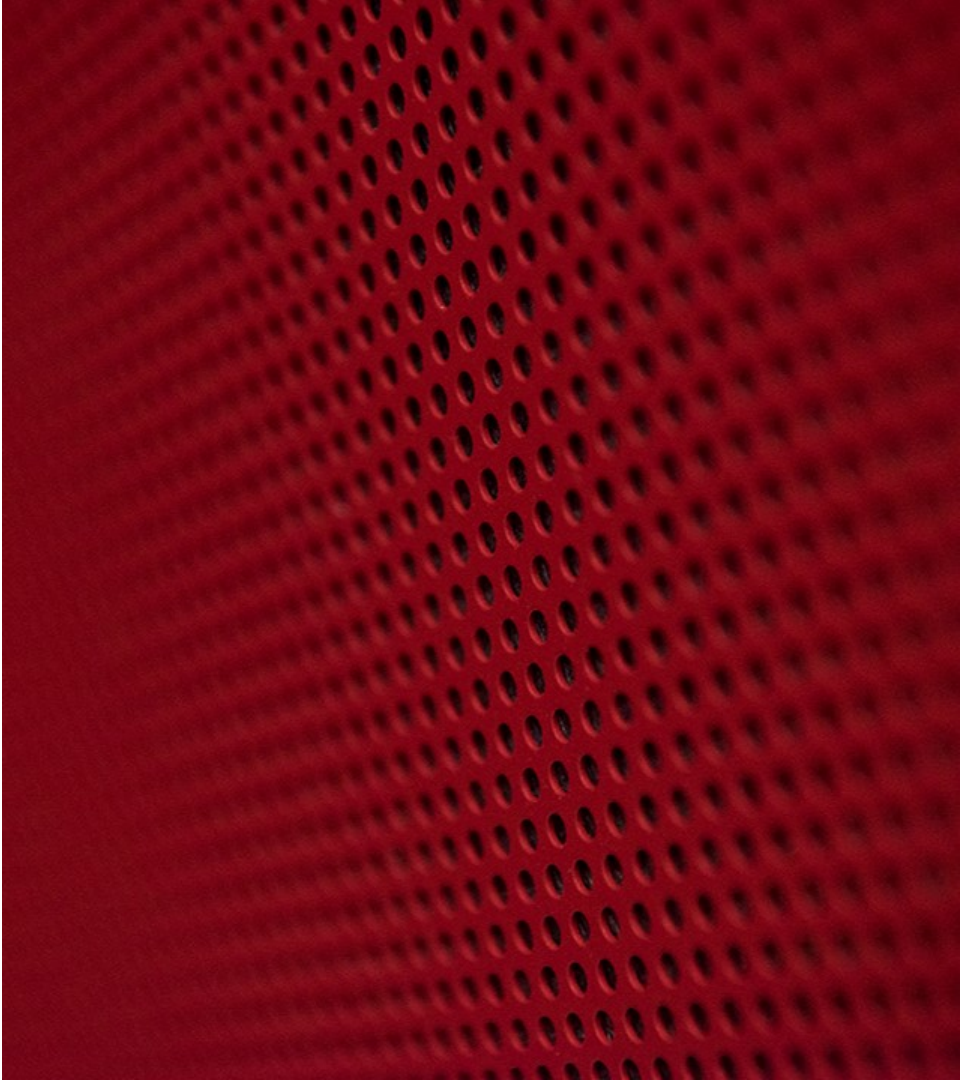
Q1 2023 EPS Detail

	EPS	
Reported EPS	\$	5.55
Reported EPS included costs related to the separation of the Filtration business	\$	(0.10)

Q1 2023 Income Statement Details

\$M	Q1 CMI as Reported		Filtration Separation	Q1 CMI Operating	
Net Sales	8,453	100.0	-	8,453	100.0
Cost of Goods Sold	6,272	74.2	2	6,270	74.2
Product Coverage	152	1.8	-	152	1.8
Gross Margin	2,029	24.0	(2)	2,031	24.0
SAR	1,103	13.0	16	1,087	12.9
JV Income	119	1.4	-	119	1.4
Other Inc/(Exp)	71	0.8	-	71	0.8
JV/Other Income	190	2.2	-	190	2.2
Depreciation/ Amortization	245	2.9	-	245	2.9
EBITDA	1,361	16.1	(18)	1,379	16.3
Net Earnings/(Loss)	790	9.3	(14)	804	9.5
Diluted EPS	\$ 5.55		\$ (0.10)	\$ 5.65	

2023 Guidance



Guidance for 2023 Consolidated Results

ITEM	FULL YEAR GUIDANCE
Consolidated Revenue	Up 15% to 20%
Earnings from JVs	Up 5% to 15%
EBITDA Margin	15.0% to 15.7%
Depreciation & Amortization	\$980 to \$1,030 M
Effective Tax Rate ¹	22.0%
Capital Expenditures	\$1.2 B to \$1.3 B
Global Pension Funding	\$108 M
Interest Expense	\$380 M

¹ Excluding discrete income tax items

Guidance for 2023 Meritor Results

ITEM	FULL YEAR GUIDANCE ^{1,2}
Consolidated Revenue	\$4.7 to \$4.9 billion
EBITDA Margin	10.3% to 11%

¹ Meritor guidance is for the axles and brakes business within the Components segment

² The electric powertrain portion of the Meritor business has been integrated within the Accelera portfolio and included in the overall guidance for that segment

Guidance for 2023 Segment Results

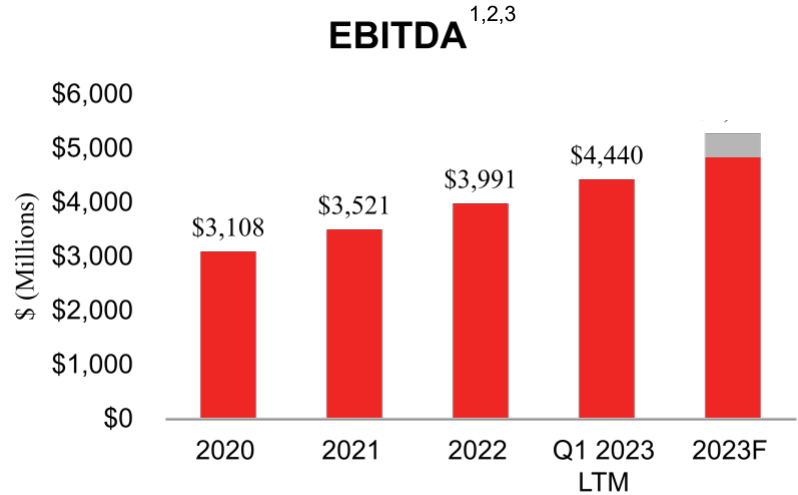
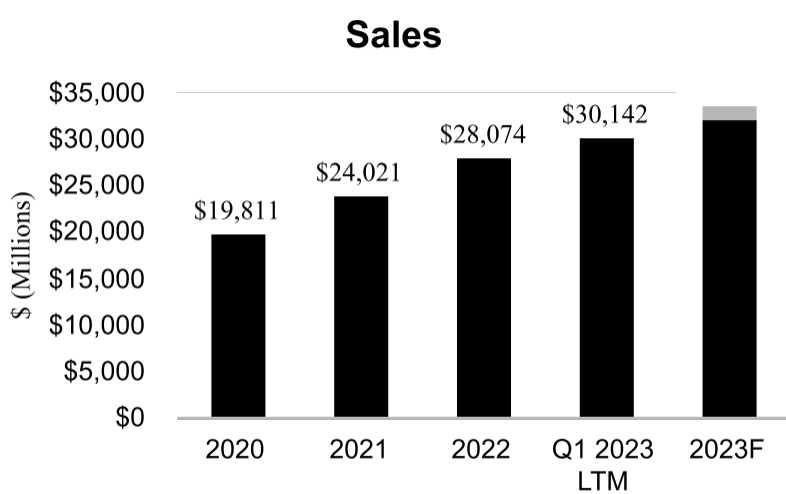
ITEM	ENGINE	DISTRIBUTION	COMPONENTS	POWER SYSTEMS	ACCELERA
Consolidated Revenue Growth	Up 2% to 7%	Up 5% to 10%	Up 32% to 37%	Up 5% to 10%	\$350M to \$400M
2023 EBITDA Margins (% of Revenue)	13.8% to 14.5%	11.3% to 12.0%	14.1% to 14.8%	13.7% to 14.4%	(\$390M) to (\$370M)
2022 EBITDA Margins (% of Revenue) ¹	15.3%	9.9%	16.4%	9.5%	(65)

¹Excluding net cost related to the indefinite suspension of operations in Russia: Engine = \$33 million, Distribution = \$55 million, Components = \$4 million, Power Systems = \$19 million
Excluding cost related to the separation of the Filtration business: Components = \$28 million, Intersegment Eliminations = \$53 million

Key On-Highway Engine Markets - 2023

KEY MARKET	2023 Forecast	Market Size Vs. 2022
Heavy Duty Truck - North America Class 8, Group 2 - Production	270K - 290K units	Down 4% to Up 4% Down 5% to Up 2% in prior guidance
Medium Duty Truck - North America Class 6-7, and Class 8 Group 1 - Production	125K - 140K units	Flat to up 10% Flat with prior guidance
Heavy & Medium Truck - China Sales	880K - 950K units	Up 15 - 25% Flat with prior guidance
Heavy & Medium Truck - India Sales	380K - 400K units	Flat to up 5% Flat with prior guidance
Heavy & Medium Truck - Brazil Production	130K - 150K units	Down 10 - 20% Flat with prior guidance

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2023 Guidance

Sales Up 15% to 20% EBITDA 15.0% to 15.7%

¹ 2022 EBITDA excludes \$111 million of net cost related to the indefinite suspension of operations in Russia and \$81 million of cost related to the separation of the Filtration business

² Q1 2023 LTM EBITDA excludes \$47 million of net benefit related to the indefinite suspension of operations in Russia and \$82 million of cost related to the separation of the Filtration business

³ 2023 Guidance EBITDA excludes the cost related to the separation of the Filtration business

A vertical red bar on the left side of the slide, featuring a pattern of small, dark, oval-shaped perforations that create a mesh-like texture.

Q1 2023 Supplemental Information

Engine Segment Selected Financial Data

- Sales increased 8% due to higher demand for trucks in North America and improvements in China construction markets.
- EBITDA margin as a percent of sales remained flat as the benefits of stronger volumes and pricing actions were offset by higher material and compensation expenses.

\$ MILLIONS	Q1 2023	Q1 2022	CHANGE
Sales	2,986	2,753	8%
EBITDA ¹	457	422	8%
EBITDA (% of Sales) ¹	15.3%	15.3%	

¹ EBITDA: Q1 2022 excludes \$32 million in cost related to the indefinite suspension of operations in Russia

Engine Segment - Sales by Market

- On-highway revenue increase driven by pricing actions, strong demand in North American truck market, and strong aftermarket demand.
- Off-highway revenues increased due to higher construction demand in China.

\$ MILLIONS	Q1 2023	Q1 2022	CHANGE
Heavy-Duty Truck	1,114	908	23%
Medium-Duty Truck & Bus	903	848	6%
Light-Duty Automotive	439	498	(12)%
On-Highway	2,456	2,254	9%
Off-Highway	530	499	6%
Total Sales	2,986	2,753	8%

Distribution Segment Selected Financial Data

- Sales increased 14% driven by pricing actions and stronger demand for whole goods and aftermarket.
- The increase in EBITDA is primarily due to pricing actions and higher volumes.

\$ MILLIONS	Q1 2023	Q1 2022	CHANGE
Sales	2,406	2,117	14%
EBITDA ¹	335	210	60%
EBITDA (% of Sales) ¹	13.9%	9.9%	

¹ EBITDA: Q1 2022 excludes \$100 million in cost related to the indefinite suspension of operations in Russia

Components Segment Selected Financial Data

- Sales increased 79% driven by the acquisition of Meritor and strong demand in key markets.
- The increase in EBITDA is primarily due to the acquisition of Meritor and benefits of pricing actions.
- Meritor Q1 sales of \$1,272 million and EBITDA of \$120 million

\$ MILLIONS	Q1 2023	Q1 2022	CHANGE
Sales	3,557	1,988	79%
EBITDA ¹	519	326	59%
EBITDA ¹ (% of Sales)	14.6%	16.4%	

¹ EBITDA: Q1 2023 excludes \$12 million in cost related to the separation of the Filtration business, Q1 2022 excludes \$6 million in cost related to the indefinite suspension of operations in Russia

Power Systems Segment Selected Financial Data

- Sales increased 16% due to pricing actions and stronger global demand for power generation and oil & gas applications.
- EBITDA margin as a percent of sales increased due to strong price realization and higher volume.

\$ MILLIONS	Q1 2023	Q1 2022	CHANGE
Sales	1,343	1,160	16%
EBITDA ¹	219	110	99%
EBITDA (% of Sales) ¹	16.3%	9.5%	

¹ EBITDA: Q1 2022 excludes \$20 million in cost related to the indefinite suspension of operations in Russia

Accelera Segment Selected Financial Data

- EBITDA losses were \$94 million as we continue to invest in the products, infrastructure, and capabilities to support strong future growth.

\$ MILLIONS	Q1 2023	Q1 2022	CHANGE
Sales	85	31	174%
EBITDA	(94)	(65)	(45)%
EBITDA (% of Sales)	NM ¹	NM ¹	

¹"NM" - not meaningful information

Joint Venture Income - Quarter

\$ MILLIONS	Q1 2023	Q1 2022
Engine	65	73 ¹
Distribution	24	16
Components	21	28
Power Systems	13	11
Accelera	(4)	(1)
Total JV Income	119	127¹

¹ Excluding one-time JV Income costs of \$31 million related to the indefinite suspension of operations in Russia



Cash Flow - Quarter

\$ MILLIONS	Q1 2023	Q1 2022
Operating Cash Flow	495	164
Capital Expenditures	193	104
Working Capital Measure	7,076	5,457
Working Capital Measure (% of Net Sales)	20.9%	21.4%
Total Debt to Capital %	42.2%	31.5%
Net Debt to Capital %	28.9%	10.1%

Appendix



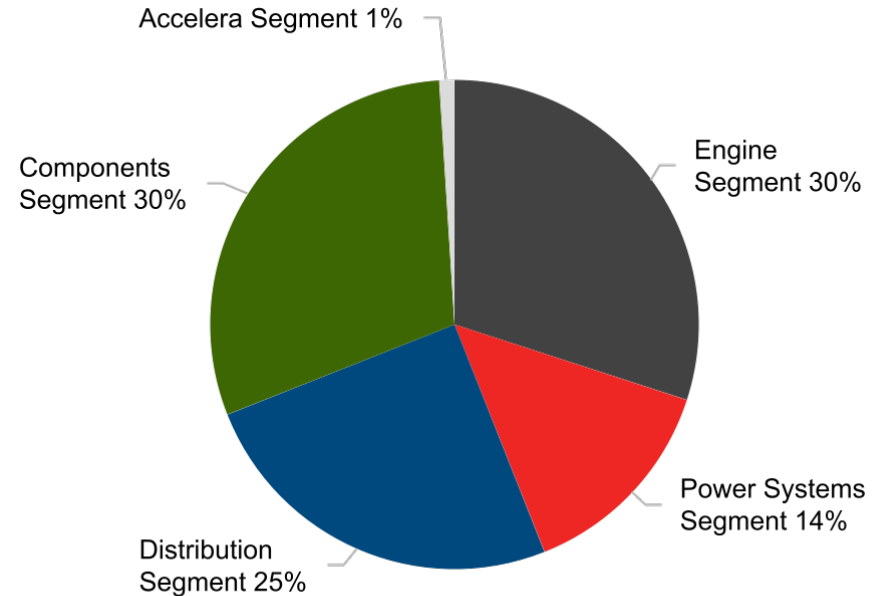
Cummins Inc.

- Strong product portfolio and global partners
- Macro growth trends play to Cummins' strengths
- Disciplined investment for growth
- Demonstrated technology leadership

Q1 2023 LTM Results

Sales:	\$30.1 billion
EBITDA ¹ :	\$4.4 billion
EBITDA% ¹ :	14.7%

Q1 2023 LTM Revenue by Segment

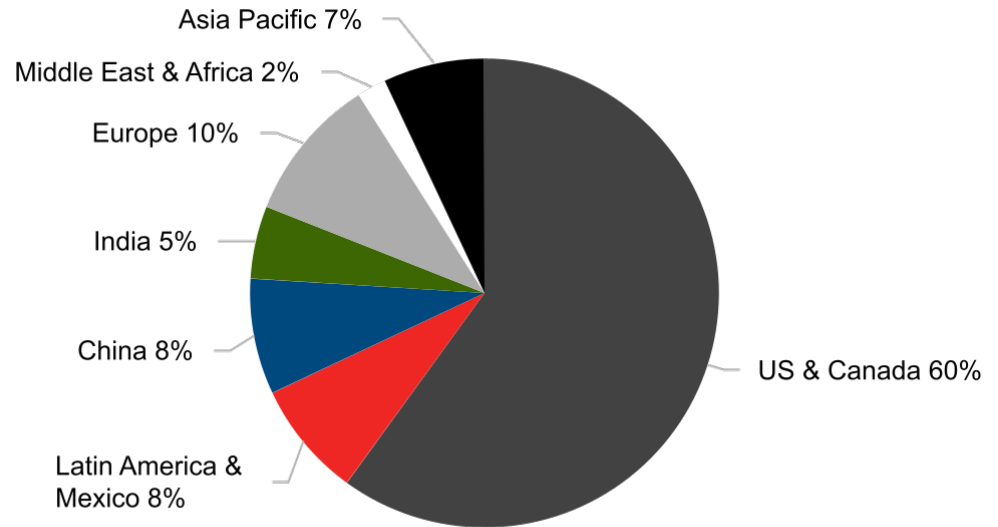


² Excluding \$47 million of net benefit related to the indefinite suspension of operations in Russia and \$82 million of cost related to the separation of the Filtration business

Cummins Inc.

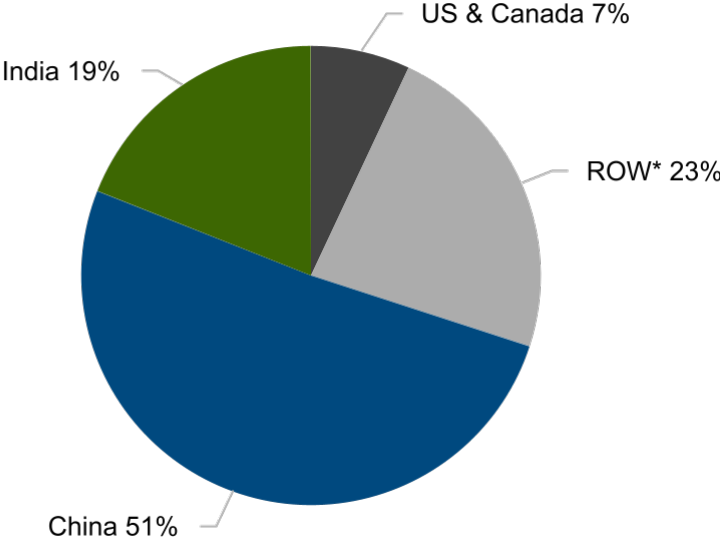
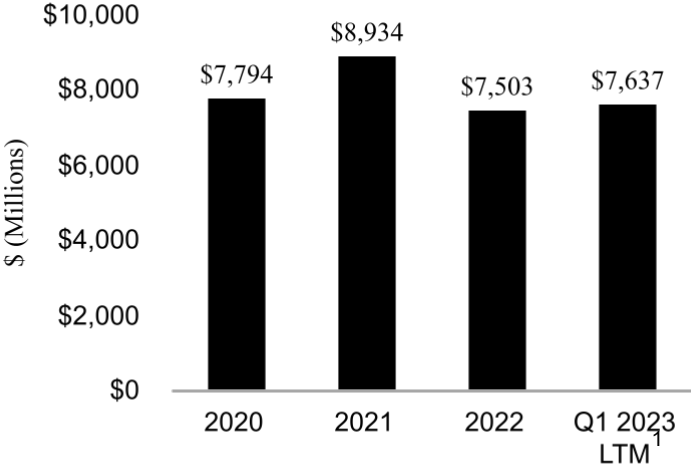
- Capitalizing on global emissions regulations
- Strong geographic diversification and leadership across multiple end-markets
- Global distribution network with presence in approximately 190 countries and territories

Q1 2023 LTM Revenue by Marketing Territory¹



Cummins - Joint Venture Sales Unconsolidated

Q1 2023 LTM Revenue



* Rest of world

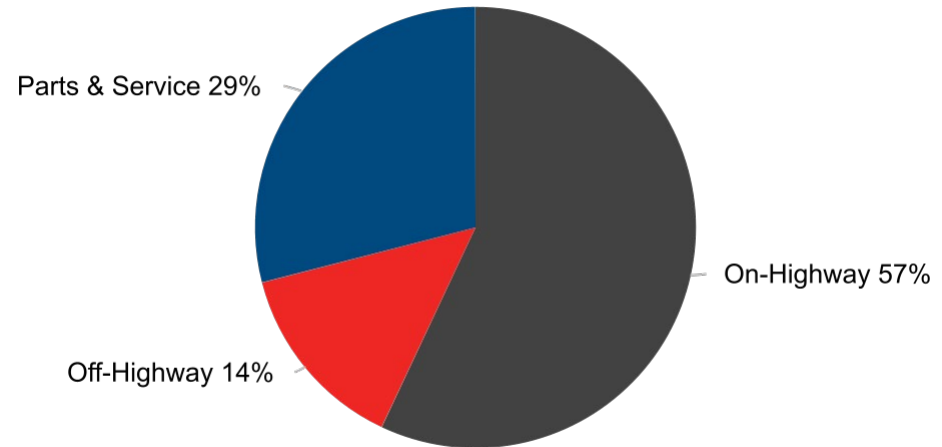
Engine Segment - Overview

- Diesel and natural gas engines from 2.8L to 15L and 48 hp to 715 hp
- Long-term engine supply agreements with key customers to stabilize pricing and to jointly engineer better integrated vehicles to market
- Leading market share in multiple end-markets and geographies

Q1 2023 LTM Results

Sales:	\$11.2 billion
EBITDA ¹ :	\$1.6 billion
EBITDA% ¹ :	14.3%

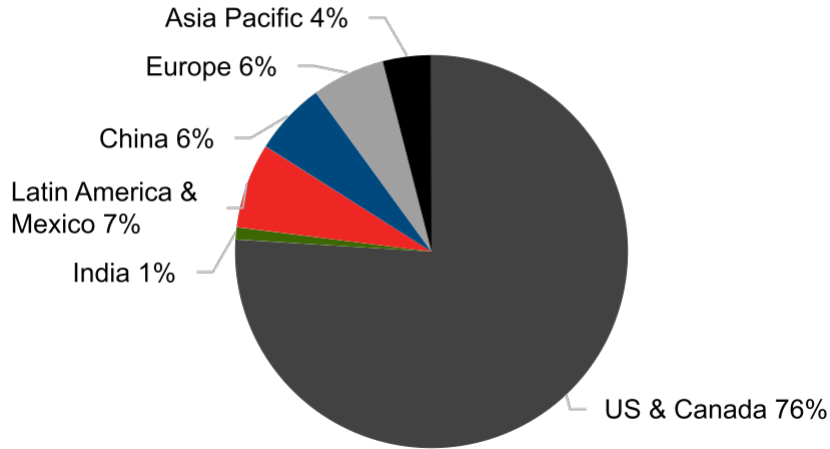
Q1 2023 LTM Revenue by Product



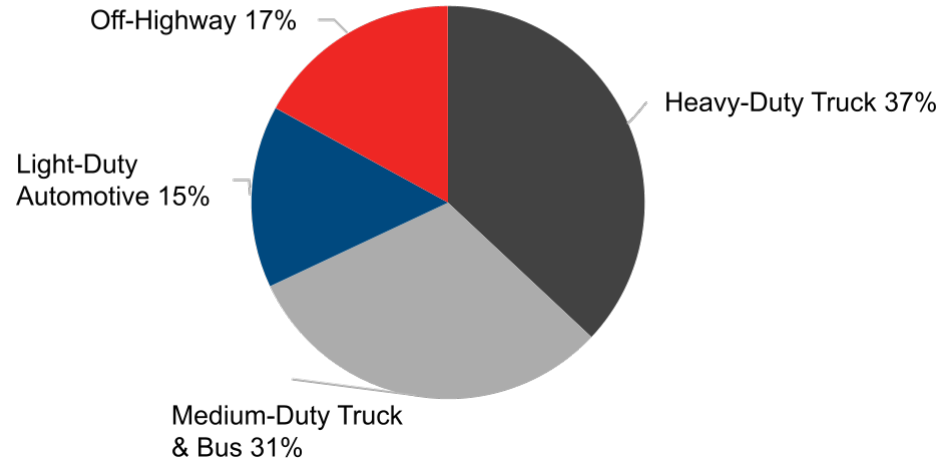
¹ Excluding \$1 million of net cost related to the indefinite suspension of operations in Russia

Engine Segment - Sales Mix

By Region



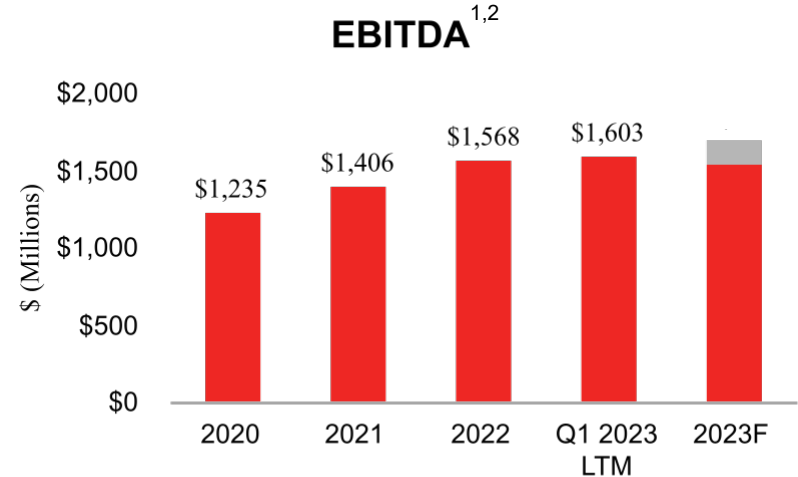
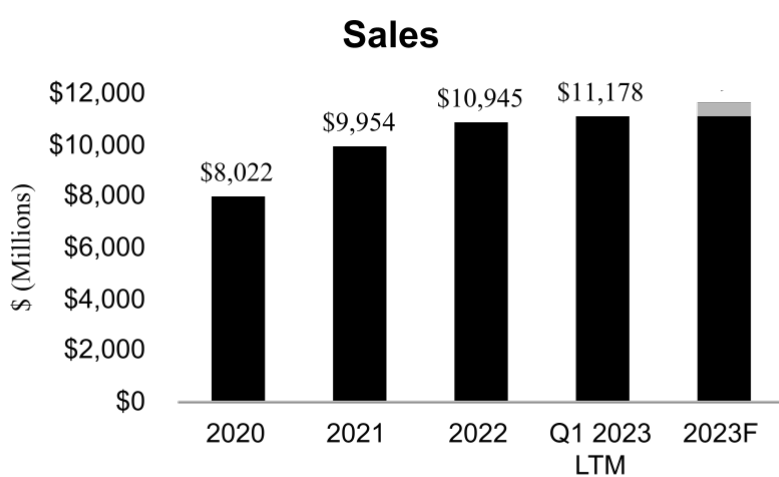
By Application



Q1 2023 LTM Revenue

\$11.2 billion

Engine Segment - Historical Performance



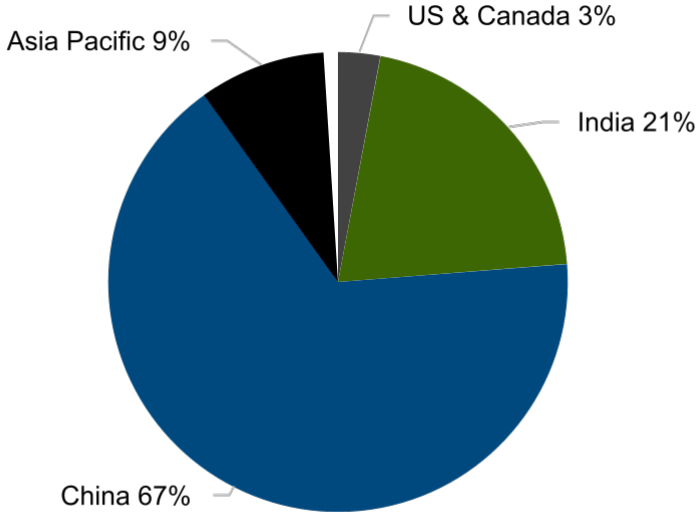
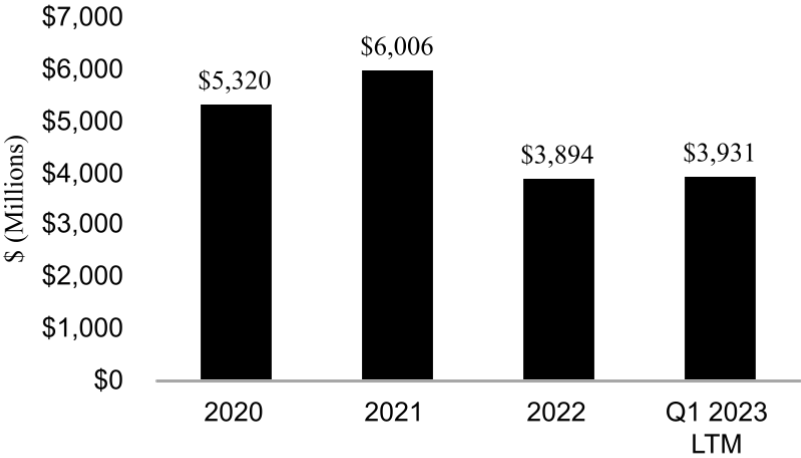
2023 Guidance	
Sales Up 2% to 7%	EBITDA 13.8% to 14.5%

¹ 2022 EBITDA excludes \$33 million of net cost related of the indefinite suspension of operations in Russia

² Q1 2023 LTM EBITDA excludes \$1 million of net cost related of the indefinite suspension of operations in Russia

Engine Segment - Joint Venture Sales Unconsolidated

Q1 2023 LTM Revenue

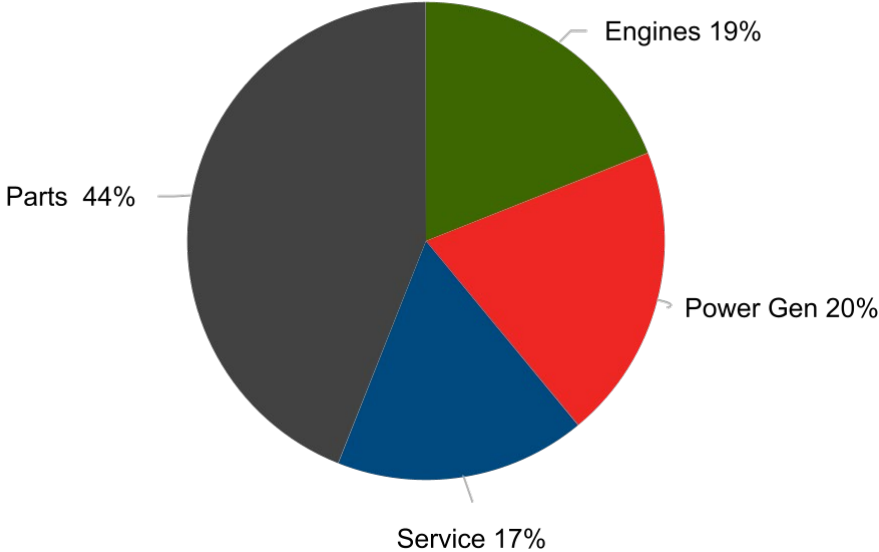


Distribution Segment - Overview

- Provide aftermarket support and increase solution-based revenue
- Increasing network capabilities in emerging markets to capture profitable growth

Q1 2023 LTM Results	
Sales:	\$9.2 billion
EBITDA ¹ :	\$1.1 billion
EBITDA% ¹ :	11.6%

Q1 2023 LTM Revenue by Product

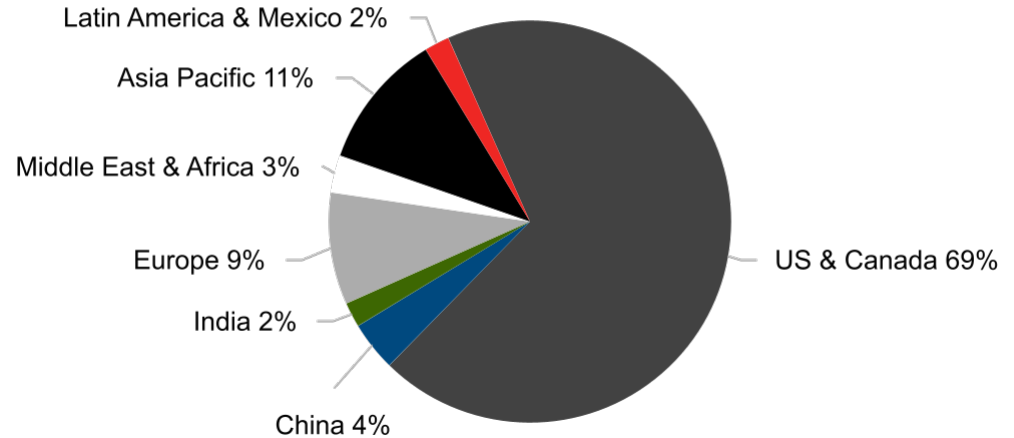


¹ Excluding \$45 million of net benefit related to the indefinite suspension of operations in Russia

Distribution Segment - Sales Mix

- Key enabler for Cummins growth
- Benefiting from increased population of products in the field

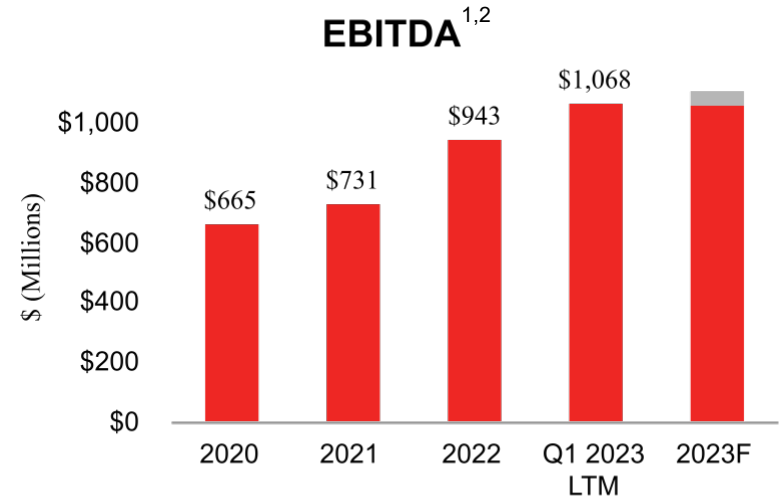
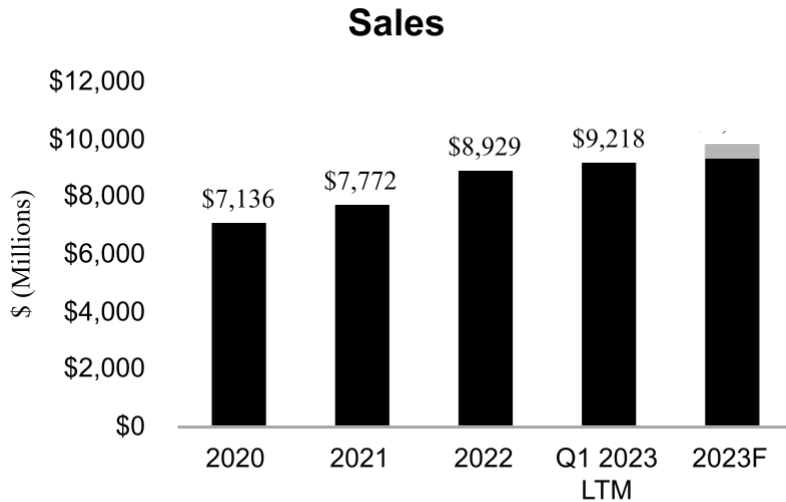
By Region



Q1 2023 LTM Revenue

\$9.2 billion

Distribution Segment - Historical Performance



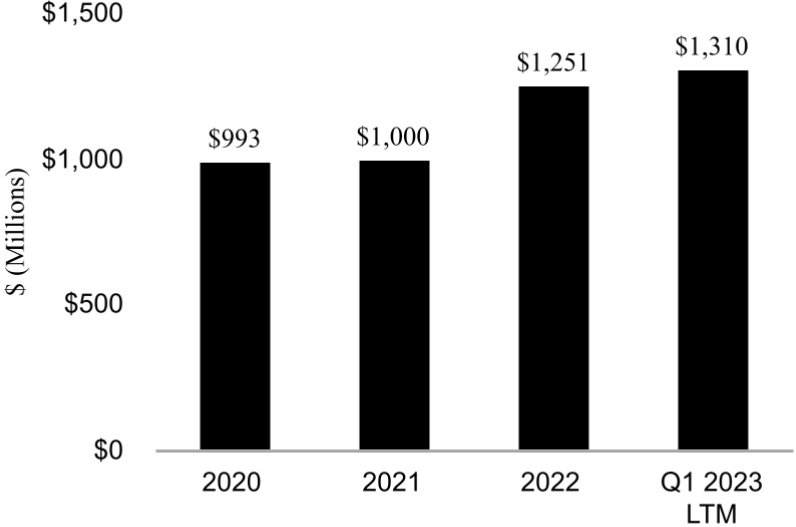
2023 Guidance

Sales Up 5% to 10% EBITDA 11.3% to 12.0%

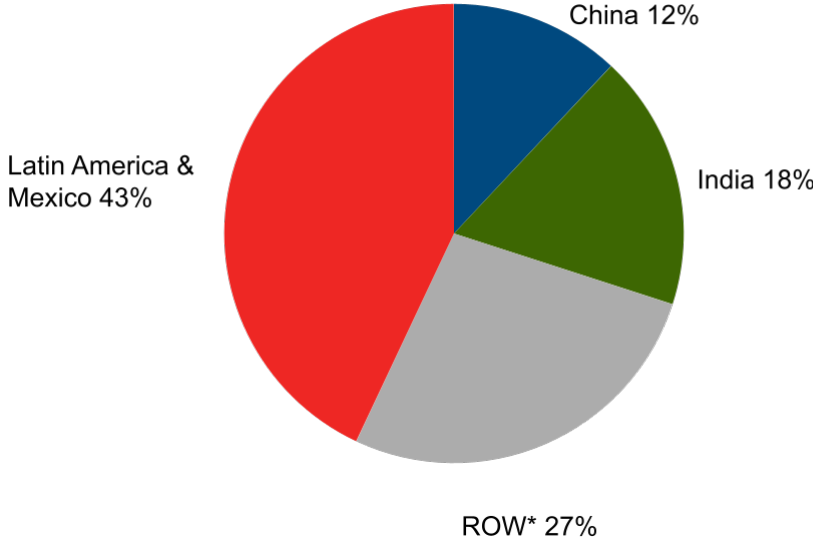
¹ 2022 excludes \$ 55 million of net cost related to the indefinite suspension of operations in Russia

² Q1 2023 LTM EBITDA excludes \$45 million of net benefit related of the indefinite suspension of operations in Russia

Distribution Segment - Joint Venture Sales Unconsolidated



Q1 2023 LTM Revenue



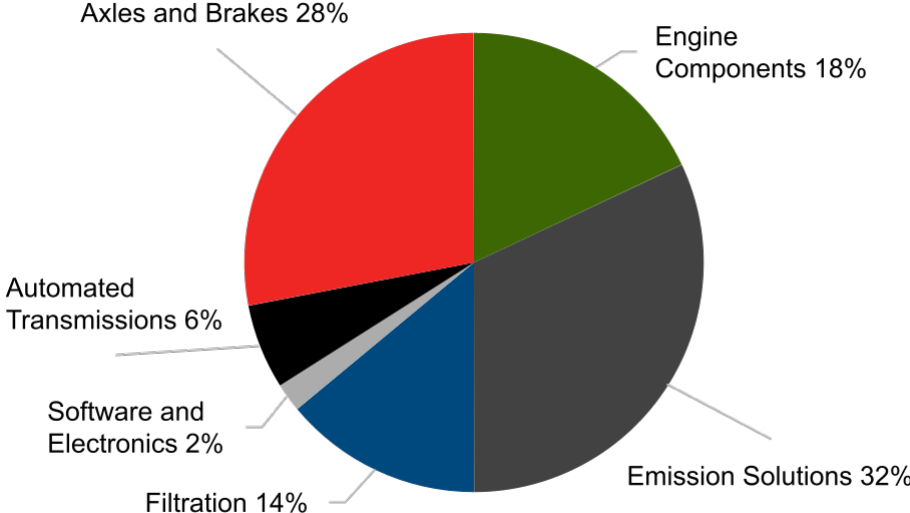
* Rest of World

Components Segment - Overview

- Leading supplier of aftertreatment products for commercial vehicle applications
- Largest worldwide supplier of turbochargers from 3.8L to 25L for commercial applications
- World's leading supplier of filtration, coolant and chemical products

Q1 2023 LTM Results	
Sales:	\$11.3 billion
EBITDA ¹ :	\$1.6 billion
EBITDA% ¹ :	13.9%

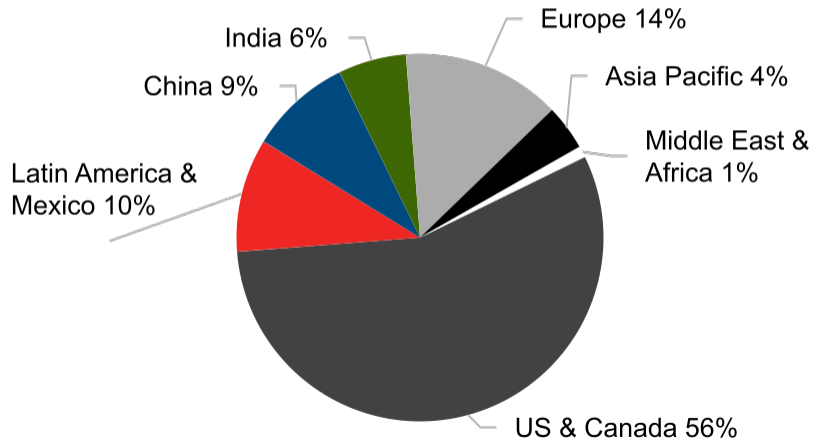
Q1 2023 LTM Revenue by Business



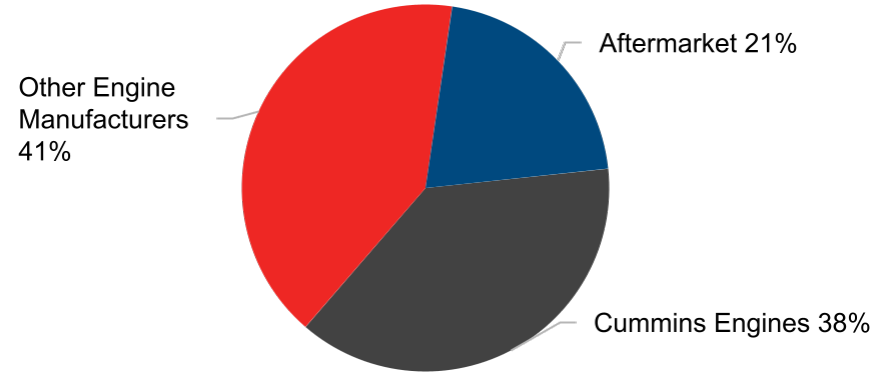
¹ Excluding \$2 million of net benefit related to the indefinite suspension of operations in Russia and \$40 million of cost related to the separation of the Filtration business

Components Segment - Sales Mix

By Region



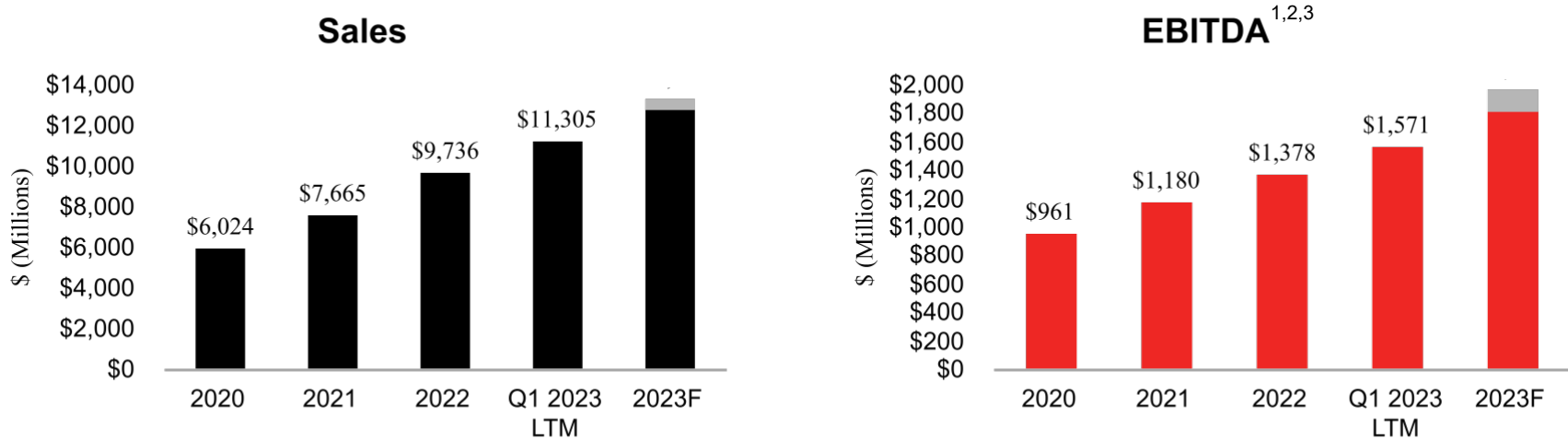
By Application



Q1 2023 LTM Revenue¹

\$11.3 billion

Components Segment - Historical Performance



2023 Guidance

Sales Up 32% to 37%

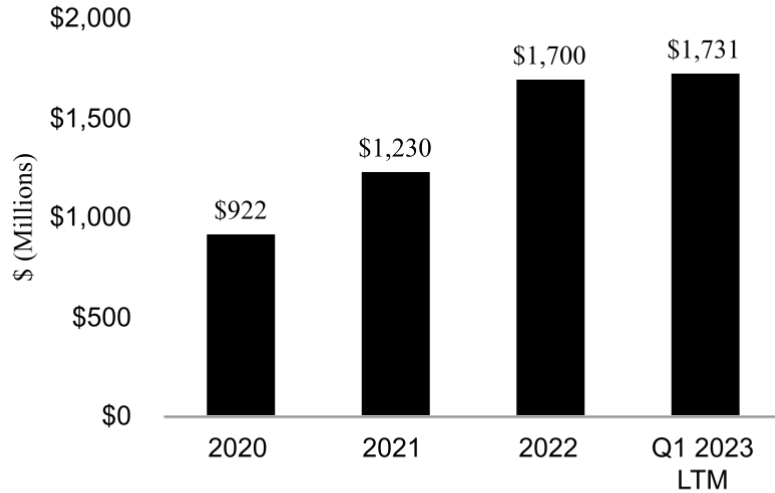
EBITDA 14.1% to 14.8%

¹ 2022 EBITDA excludes \$4 million of net cost related of the indefinite suspension of operations in Russia and \$28 million of cost related to the separation of the Filtration business

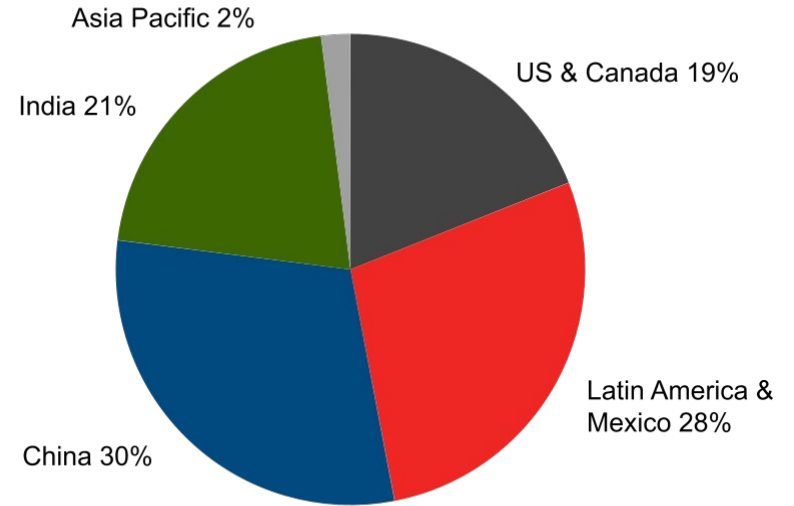
² Q1 2023 LTM EBITDA excludes \$2 million of net benefit related of the indefinite suspension of operations in Russia and \$40 million of cost related to the separation of the Filtration business

³ 2023 Guidance EBITDA excludes the cost associated with the separation of the Filtration business

Components Segment - Joint Venture Sales Unconsolidated



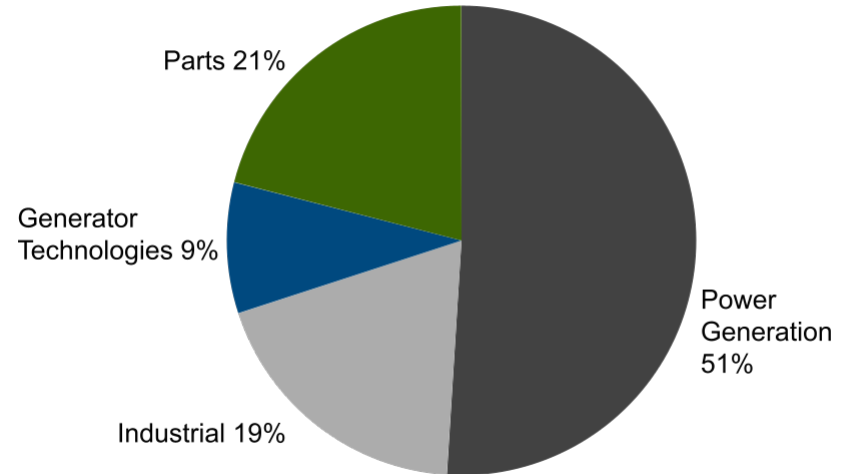
Q1 2023 LTM Revenue



Power Systems Segment - Overview

- Global provider of power generation systems, components and services from 2kW to 3.5 Megawatts (MW)
- Leading supplier of alternators from 7.5kVA to 11,200kVA
- Leading market share in multiple geographies

Q1 2023 LTM Revenue by Product



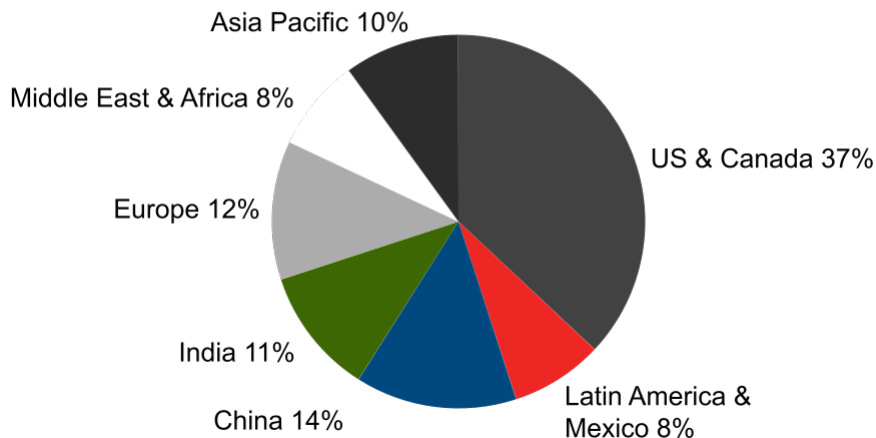
Q1 2023 LTM Results

Sales:	\$5.2 billion
EBITDA ¹ :	\$724 million
EBITDA% ¹ :	13.9%

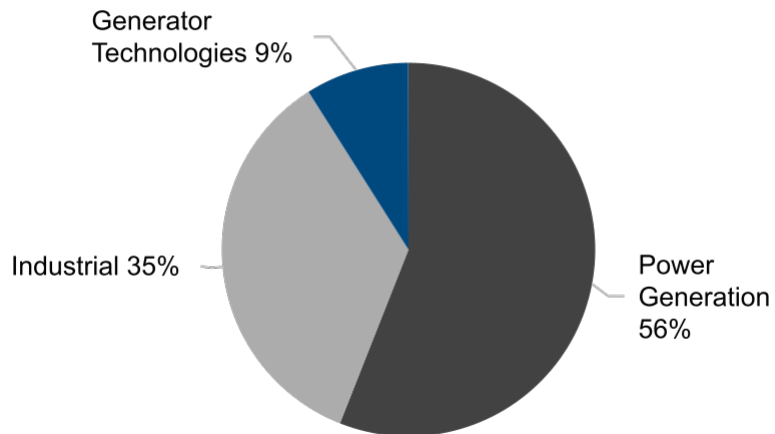
¹ Excluding \$1 million of net benefit related to the indefinite suspension of operations in Russia

Power Systems Segment - Sales Mix

By Region



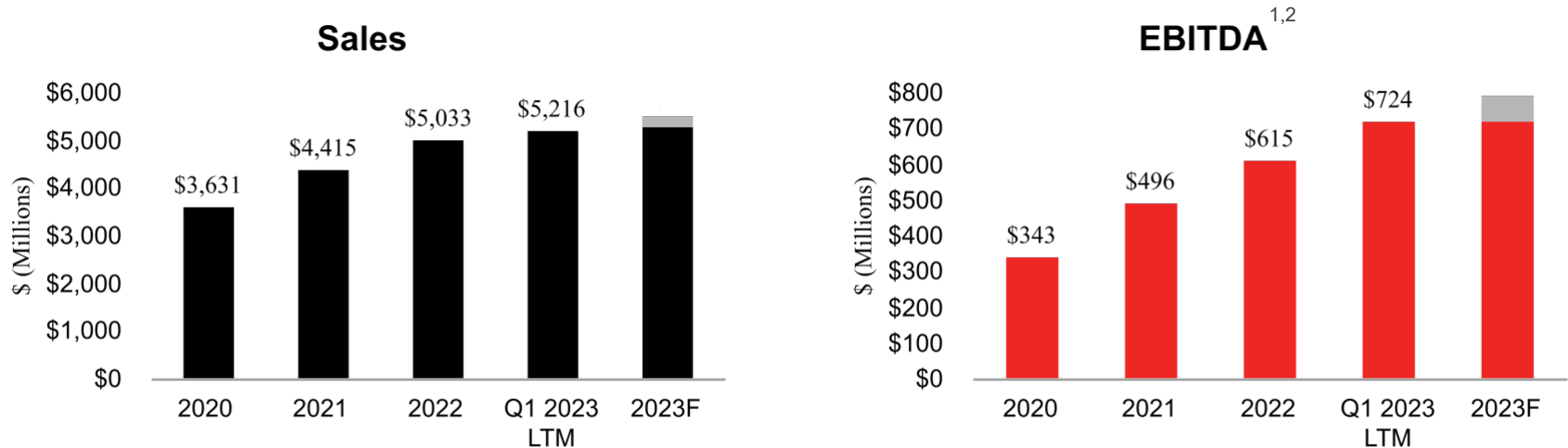
By Product Line



Q1 2023 LTM Revenue

\$5.2 billion

Power Systems Segment - Historical Performance



2023 Guidance

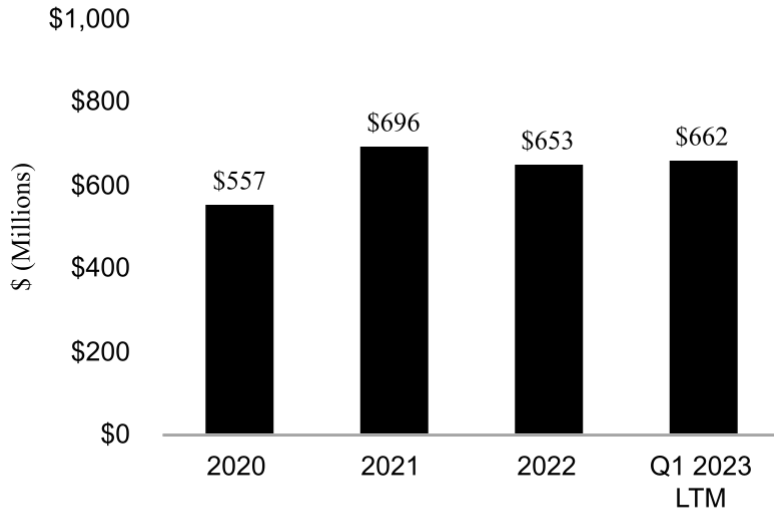
Sales Up 5% to 10%

EBITDA 13.7% to 14.4%

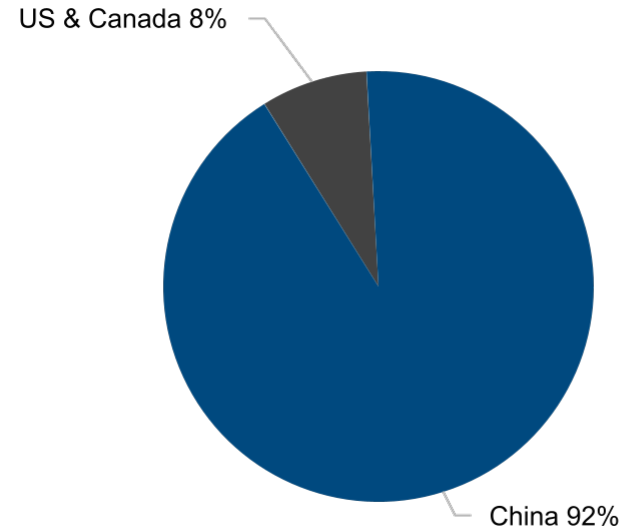
¹ 2022 EBITDA excludes \$19 million of net cost related of the indefinite suspension of operations in Russia

² Q1 2023 LTM EBITDA excludes \$1 million of net benefit related of the indefinite suspension of operations in Russia

Power Systems Segment - Joint Venture Sales Unconsolidated

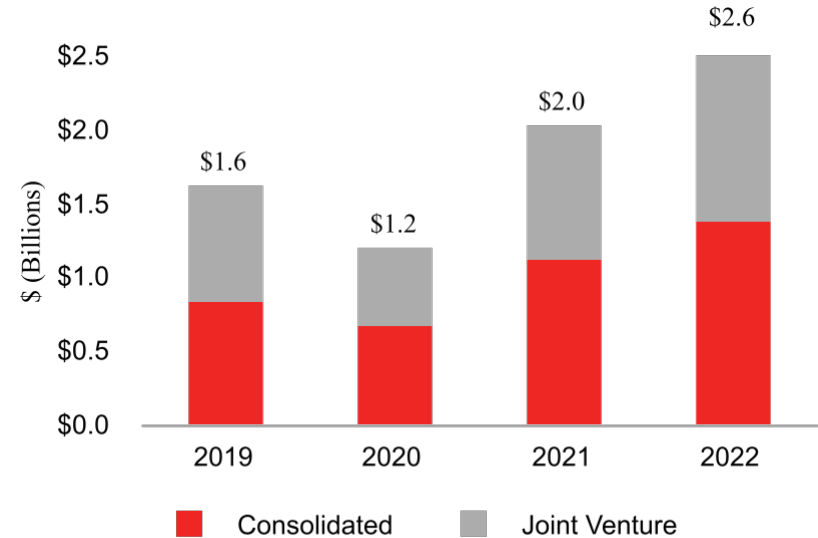


Q1 2023 LTM Revenue



Emerging Market Sales - India¹

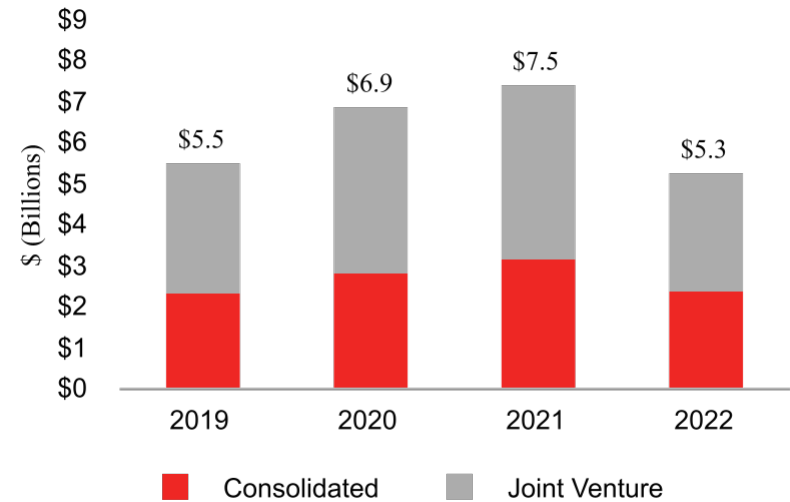
- Present in India for over 50 years
- Market leadership
- Strong OEM relationships
- Expanding our markets



¹ Consolidated & JV sales with eliminations

Emerging Market Sales - China¹

- Present in China for over 40 years
- Broad product portfolio for On and Off Highway
- Strong OEM partners
- Growth from new products and tightening emission standards



¹ Consolidated & JV sales with eliminations

CMI Organic Growth vs. Prior Year

\$ MILLIONS	Q1-22	Q1-23	% Growth
CMI Sales	6,385	8,453	32%
Meritor Sales*	-	1,272	
Sales Excluding Meritor	6,385	7,181	12%

* Meritor was acquired in Q3-22 and was excluded from year over year organic revenue growth

Non-GAAP Reconciliation - EBITDA

In Millions	Three Months Ended	
	31-Mar-23	31-Mar-22
Net income attributable to Cummins Inc.	\$ 790	\$ 418
Net income attributable to noncontrolling interests	16	5
Consolidated net income	806	423
Income tax expense	223	155
Income before taxes	1,029	578
Interest expense	87	17
EBIT	1,116	595
Depreciation and amortization	245	160
EBITDA	1,361	755
One-Time Items ¹	18	175
EBITDA excluding One-Time Items	1,379	930

¹Q1 2023 one-time items include \$18 million of cost related to the separation of the Filtration business, Q1 2022 one-time items include \$158 million of cost related to the indefinite suspension of operations in Russia and \$17 million of cost related to the separation of the Filtration business

We define EBITDA as earnings before interest expense, provision for income taxes, depreciation & amortization, and non-controlling interests in earnings of consolidated subsidiaries. The table above reconciles EBITDA, a non-GAAP financial measure, to our consolidated earnings before income taxes and non-controlling interests, for each of the applicable periods. We believe EBITDA is a useful measure of our operating performance for the periods presented as it illustrates our operating performance without regard for financing methods, capital structure, income taxes, or depreciation & amortization methods. 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.

Non-GAAP Reconciliation - EBITDA (LTM)

Last Twelve Months Ended

In Millions

	31-Mar-23	31-Mar-22
Net income attributable to Cummins Inc.	\$ 2,523	\$ 1,946
Net income attributable to noncontrolling interests	43	30
Consolidated net income	2,566	1,976
Income tax expense	704	570
Income before taxes	3,270	2,546
Interest expense	269	100
EBIT	3,539	2,646
Depreciation and amortization	866	650
EBITDA	4,405	3,296
One-Time Items ¹	35	175
EBITDA excluding One-Time Items	4,440	3,471

¹Q1 2023 LTM one-time items include \$47 million of net benefit related to the indefinite suspension of operations in Russia and \$82 million of cost related to the separation of the Filtration business, Q1 2022 LTM one-time items include \$158 million of cost related to the indefinite suspension of operations in Russia and \$17 million of cost related to the separation of the Filtration business

We define EBITDA as earnings before interest expense, provision for income taxes, depreciation & amortization, and non-controlling interests in earnings of consolidated subsidiaries. The table above reconciles EBITDA, a non-GAAP financial measure, to our consolidated earnings before income taxes and non-controlling interests, for each of the applicable periods. We believe EBITDA is a useful measure of our operating performance for the periods presented as it illustrates our operating performance without regard for financing methods, capital structure, income taxes, or depreciation & amortization methods. 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.

Non-GAAP Reconciliation - Working Capital

In Millions	Three Months Ended	
	31-Mar-23	31-Mar-22
Accounts and notes receivable, net	\$ 5,834	\$ 4,368
Inventories	5,878	4,586
Accounts Payable - (principally trade)	(4,636)	(3,497)
Working capital measure	\$ 7,076	\$ 5,457
Annualized Working capital measure (% of Net Sales)	20.9 %	21.4 %

A reconciliation of the calculation of working capital measure as a % of annualized net sales to our Condensed Consolidated Financial Statements is shown in the table above.

Non-GAAP Reconciliation - Net Assets

	In Millions	
	31-Mar-23	31-Mar-22
Total Assets	\$ 31,433	\$ 24,122
Less: Deferred debt costs	4	4
Less: Deferred tax assets	688	494
Less: Pension and other postretirement benefit adjustments excluded from net assets	922	1,004
Less: Liabilities deducted in arriving at net assets	11,728	9,882
Total net assets	18,091	12,738
Less: Cash, cash equivalents and marketable securities	2,439	2,803
Net assets for operating segments	\$ 15,652	\$ 9,935

A reconciliation of net assets for operating segments to total assets in our Condensed Consolidated Financial Statements is shown in the table above.

Non-GAAP Reconciliation - Invested Capital Used for Return on Invested Capital Calculation

In Millions

	31-Mar-23	31-Mar-22
Total Equity	\$ 10,620	\$ 8,971
Less: Defined benefit postretirement plans	(436)	(330)
Equity used for return on invested capital calculation	11,056	9,301
Loans payable	229	243
Commercial paper	2,545	311
Current maturities of long-term debt	569	69
Long-term debt	4,409	3,502
Invested capital used for return on invested capital calculation	\$ 18,808	\$ 13,426

A reconciliation of invested capital used for return on invested capital calculation to total equity in our Condensed Consolidated Financial Statements is shown in the table above.

Non-GAAP Reconciliation - Net Operating Profit After Taxes Used for Return on Invested Capital Calculation

In Millions	Last Twelve Months Ended	
	31-Mar-23	31-Mar-22
Net income attributable to Cummins Inc.	\$ 2,523	\$ 1,946
Net income attributable to noncontrolling interests	43	30
Consolidated net income	2,566	1,976
Income tax expense	704	570
Income before taxes	3,270	2,546
Interest expense	269	100
EBIT	3,539	2,646
One-Time Items ¹	35	175
EBIT excluding One-Time Items	3,574	2,821
Less: Tax effect on EBIT	779	607
Net operating profit after taxes used for return on invested capital calculation	\$ 2,795	\$ 2,214

¹Q1 2023 LTM one-time items include \$47 million of net benefit related to the indefinite suspension of operations in Russia and \$82 million of cost related to the separation of the Filtration business, Q1 2022 LTM one-time items include \$158 million of cost related to the indefinite suspension of operations in Russia and \$17 million of cost related to the separation of the Filtration business

A reconciliation of net operating profit after taxes used for return on invested capital calculation to net income attributable to Cummins Inc. in our Condensed Consolidated Financial Statements is shown in the table above.

Net Debt to Capital Reconciliation

In Millions

	31-Mar-23	31-Mar-22
Total Debt (A)	\$ 7,752	\$ 4,125
Total Equity (B)	10,620	8,971
Total Capital (C) = (A+B)	18,372	13,096
Total Cash, Cash Equivalents & Marketable Securities (D)	2,439	2,803
Net Debt (E) = (A-D)	\$ 5,313	\$ 1,322
Total Debt to Capital % (A/C)	42.2 %	31.5 %
Net Debt to Capital % (E/C)	28.9 %	10.1 %

A reconciliation of Net Debt used for Net Debt to Capital %.



Thank you for your interest

For additional information: Chris Clulow – Vice President Investor Relations
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