

Global manufacturer selects Charleston region for significant plant expansion

July 15, 2008 –Two years after opening a second manufacturing facility in the Charleston region, Cummins Turbo Technologies has announced an \$11 million plant expansion to meet growing worldwide demand for its products. The company will double assembly capacity and greatly increase machining capacity at its existing plant in North Charleston's Palmetto Commerce Park, with plans to create 100 new jobs. The company's other local facility is on Leeds Avenue in North Charleston.

Headquartered in Huddersfield, England, Cummins Turbo Technologies is one of the world's largest manufacturers of turbochargers for diesel engines. The company opened its first Charleston area manufacturing plant in 1989, operating under the name Holset Engineering until two years ago. The company currently employs approximately 750 between its two area facilities.

"On behalf of all of our Cummins Turbo Technologies employees at the two Charleston-area facilities (Leeds Avenue and Palmetto Commerce Parkway), I am pleased to announce a further increase in our capacity and investment in the Palmetto facility," said Jim Lyons, President of Cummins Turbo Technologies. "This additional investment of \$11 million continues the investments made by Cummins in equipment and people in the Charleston area and is a reflection of the hard work of our 750+ employees to continuously improve our businesses here. It is two years since we celebrated the first production turbocharger, and I am pleased to recognize the efforts of all of our local employees by continuing to expand capacity for existing products and new products to meet the 2010 EPA legislation for North America."

Cummins Turbo Technologies opened its Palmetto manufacturing plant on July 21, 2006. The state-of-the-art facility has allowed the company to further leverage the Holset product name and grow its business in markets around the world. Cummins has had operations in Charleston since 1989, with the Palmetto plant being 14 miles away from the company's first turbocharger plant on Leeds Avenue. According to company officials, the Charleston area offers a good quality of life for Cummins' workers, and the city, the county and the state have all shown they value having Cummins as an employer.

This competitive expansion project was facilitated by the Charleston Regional Development Alliance in partnership with numerous public- and private-sector allies. The Alliance is an economic development organization working to advance the economy of the three-county Charleston region.

"Cummins' decision to expand in our region sends a powerful message to other leaders in the automotive industry," said Alliance Chairman Jim Bryan. "Collectively, our three counties offer an incredible combination of assets for world-class manufacturers, and this expansion proves just how competitive we've become."

"We are elated with this news," said Timothy E. Scott, Chairman of Charleston County Council. "At a time when international companies are scrutinizing the entire globe for their optimum locations, Charleston is not only holding its own in world-wide competition, but we are prospering. In this latest chapter in the third decade of Cummins operations in Charleston, we are heartened that the Charleston workforce and business community have remained a recipe for success for Cummins. We at Charleston County welcome the chance to expand our already strong partnership with this world-class company in the years ahead."

North Charleston Mayor Keith Summey also welcomed the announcement. "Companies such as Cummins Turbo Technologies help our region stand out on the international stage. We are proud this dynamic company is expanding in North Charleston, and we will do everything we can to ensure they continue to prosper here."

In facilitating announcements such as today's, the Alliance works with numerous public and private allies. Its relationship with the South Carolina Department of Commerce has been of particular importance through the years.

"Cummins Turbo Technologies is a world leader in the manufacturing of turbochargers for diesel engines. Their decision to expand operations in South Carolina is a positive reflection that the state's business-friendly climate and skilled workforce are working to attract new investment and encourage growth among existing businesses. We wish Cummins Turbo Technologies continued success and look forward to a prosperous and mutually beneficial relationship with them in the years ahead," said Joe Taylor, Secretary of Commerce.

About Cummins Turbo Technologies

Cummins Turbo Technologies is the world's largest manufacturer of turbochargers for the medium-heavy duty diesel engines market and has a reputation for bringing innovative solutions to the specific product requirements of this key market sector. Its Holset brand is the best known in the industry. The company has seven manufacturing facilities located in Brazil, India, UK, USA and its joint venture in China ensuring support for engine and vehicle makers across the world. For further information, visit Cummins Turbo Technologies website at cummins.com/turbos.

About Cummins

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 serves customers in approximately 190 countries and territories through a network of more than 500 company-owned and independent distributor locations and approximately 5,200 dealer locations. Cummins reported net income of \$739 million on sales of \$13.05 billion in 2007. Press releases can be found on the web at cummins.com.

So what exactly is a turbocharger?

For those not familiar with the turbocharger, it is an engine component that produces around 30% of the engine's power and ensures the best possible fuel economy and minimal emissions (CO₂, particulates and NO_x). In simple terms, a turbocharger is comprised of a turbine and a compressor connected by a common shaft supported on a bearing system. The turbocharger converts waste energy into compressed air, which it pushes into the engine. This allows a given size of engine to produce more power and torque and improves the overall efficiency of the combustion process. It also enables great reductions in the gaseous emissions from the engine.

Forward-looking disclosure statement

Information provided and statements in this release that are 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.

About the Charleston Regional Development Alliance

The Charleston Regional Development Alliance represents Berkeley, Charleston and Dorchester counties with a mission to create improved opportunities for all residents within this three-county region. Working with a statewide network of allies, the Alliance markets Charleston to the world as a preferred location for business, and helps to facilitate new investment within the three-county area. The Alliance closely aligns its efforts with those of other organizations to drive a sustainable, regional economic development strategy. To learn more, go to charlestoneconomicdevelopment.com.