

OSHKOSH CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts)

	Fiscal Year Ended September 30,		
	2017	2016	2015
Net sales	\$ 6,829.6	\$ 6,279.2	\$ 6,098.1
Cost of sales	5,655.2	5,223.4	5,058.9
Gross income	1,174.4	1,055.8	1,039.2
Operating expenses:			
Selling, general and administrative	665.6	612.4	587.4
Amortization of purchased intangibles	45.8	52.5	53.2
Asset impairment charge	—	26.9	—
Total operating expenses	711.4	691.8	640.6
Operating income	463.0	364.0	398.6
Other income (expense):			
Interest expense	(59.8)	(60.4)	(70.1)
Interest income	4.9	2.1	2.5
Miscellaneous, net	3.2	1.3	(4.9)
Income before income taxes and equity in earnings of unconsolidated affiliates	411.3	307.0	326.1
Provision for income taxes	127.2	92.4	99.2
Income before equity in earnings of unconsolidated affiliates	284.1	214.6	226.9
Equity in earnings of unconsolidated affiliates	1.5	1.8	2.6
Net income	\$ 285.6	\$ 216.4	\$ 229.5
Earnings per share attributable to common shareholders:			
Basic	\$ 3.82	\$ 2.94	\$ 2.94
Diluted	3.77	2.91	2.90

The accompanying notes are an integral part of these financial statements

OSHKOSH CORPORATION
CONSOLIDATED BALANCE SHEETS
(In millions, except share and per share amounts)

	September 30,	
	2017	2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 447.0	\$ 321.9
Receivables, net	1,306.3	1,021.9
Inventories, net	1,198.4	979.8
Other current assets	88.1	93.9
Total current assets	3,039.8	2,417.5
Property, plant and equipment, net	469.9	452.1
Goodwill	1,013.0	1,003.5
Purchased intangible assets, net	507.8	553.5
Other long-term assets	68.4	87.2
Total assets	<u>\$ 5,098.9</u>	<u>\$ 4,513.8</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Revolving credit facility and current maturities of long-term debt	\$ 23.0	\$ 20.0
Accounts payable	651.0	466.1
Customer advances	513.4	471.8
Payroll-related obligations	191.8	147.9
Other current liabilities	303.9	261.8
Total current liabilities	1,683.1	1,367.6
Long-term debt, less current maturities	807.9	826.2
Other long-term liabilities	300.5	343.5
Commitments and contingencies		
Shareholders' equity:		
Preferred Stock (\$.01 par value; 2,000,000 shares authorized; none issued and outstanding)	—	—
Common Stock (\$.01 par value; 300,000,000 shares authorized; 92,101,465 shares issued)	0.9	0.9
Additional paid-in capital	802.2	782.3
Retained earnings	2,399.8	2,177.0
Accumulated other comprehensive loss	(125.0)	(175.0)
Common Stock in treasury, at cost (17,088,224 and 18,175,669 shares, respectively)	(770.5)	(808.7)
Total shareholders' equity	2,307.4	1,976.5
Total liabilities and shareholders' equity	<u>\$ 5,098.9</u>	<u>\$ 4,513.8</u>

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OSHKOSH CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Fiscal Year Ended September 30,		
	as adjusted		
	2017	2016	2015
Operating activities:			
Net income	\$ 285.6	\$ 216.4	\$ 229.5
Asset impairment charge	—	26.9	—
Depreciation and amortization	130.3	128.8	124.5
Stock-based compensation expense	22.4	18.7	21.4
Deferred income taxes	7.8	(17.0)	(12.2)
Gain on sale of assets	(6.6)	(19.1)	(9.3)
Foreign currency transaction (gains) losses	1.6	(1.1)	10.4
Other non-cash adjustments	0.1	0.3	14.1
Changes in operating assets and liabilities:			
Receivables, net	(295.9)	(39.6)	(13.9)
Inventories, net	(202.3)	327.2	(378.8)
Other current assets	14.6	(19.0)	(1.7)
Accounts payable	177.2	(87.6)	(28.7)
Customer advances	41.5	31.6	130.1
Payroll-related obligations	43.5	31.2	(28.3)
Income taxes	(14.8)	(14.0)	17.6
Other current liabilities	43.7	10.8	(9.1)
Other long-term assets and liabilities	(2.2)	(10.6)	25.8
Total changes in operating assets and liabilities	(194.7)	230.0	(287.0)
Net cash provided by operating activities	246.5	583.9	91.4
Investing activities:			
Additions to property, plant and equipment	(85.8)	(92.5)	(131.7)
Additions to equipment held for rental	(27.4)	(34.8)	(26.3)
Acquisition of a business, net of cash acquired	—	—	(10.0)
Proceeds from sale of equipment held for rental	49.5	40.2	26.8
Other investing activities	(1.5)	(2.1)	1.1
Net cash used by investing activities	(65.2)	(89.2)	(140.1)
Financing activities:			
Net increase (decrease) in short-term debt	—	(33.5)	33.5
Proceeds from issuance of debt (original maturities greater than three months)	5.9	323.5	375.0
Repayments of debt (original maturities greater than three months)	(23.0)	(373.5)	(365.0)
Debt issuance costs	—	—	(15.5)
Repurchases of Common Stock	(4.8)	(106.3)	(209.3)
Dividends paid	(62.8)	(55.9)	(53.1)
Proceeds from exercise of stock options	39.9	21.7	8.6
Excess tax benefit from stock-based compensation	—	2.0	4.0
Net cash used by financing activities	(44.8)	(222.0)	(221.8)
Effect of exchange rate changes on cash	(11.4)	6.3	(0.4)
Increase (decrease) in cash and cash equivalents	125.1	279.0	(270.9)
Cash and cash equivalents at beginning of year	321.9	42.9	313.8
Cash and cash equivalents at end of year	<u>\$ 447.0</u>	<u>\$ 321.9</u>	<u>\$ 42.9</u>
Supplemental disclosures:			
Cash paid for interest	\$ 57.1	\$ 54.7	\$ 51.0
Cash paid for income taxes	129.9	116.8	89.9

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