

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

	Fiscal Year Ended September 30,		
	2018	2017	2016
Net sales	\$ 7,705.5	\$ 6,829.6	\$ 6,279.2
Cost of sales	6,349.8	5,655.2	5,223.4
Gross income	1,355.7	1,174.4	1,055.8
Operating expenses:			
Selling, general and administrative	663.9	665.6	612.4
Amortization of purchased intangibles	38.3	45.8	52.5
Asset impairment charge	—	—	26.9
Total operating expenses	702.2	711.4	691.8
Operating income	653.5	463.0	364.0
Other income (expense):			
Interest expense	(70.9)	(59.8)	(60.4)
Interest income	15.3	4.9	2.1
Miscellaneous, net	(3.3)	3.2	1.3
Income before income taxes and earnings of unconsolidated affiliates	594.6	411.3	307.0
Provision for income taxes	123.8	127.2	92.4
Income before earnings of unconsolidated affiliates	470.8	284.1	214.6
Equity in earnings of unconsolidated affiliates	1.1	1.5	1.8
Net income	\$ 471.9	\$ 285.6	\$ 216.4
Earnings per share:			
Basic	\$ 6.38	\$ 3.82	\$ 2.94
Diluted	6.29	3.77	2.91

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,	
	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 454.6	\$ 447.0
Receivables, net	1,521.6	1,306.3
Inventories, net	1,227.7	1,198.4
Other current assets	66.0	88.1
Total current assets	3,269.9	3,039.8
Property, plant and equipment, net	481.1	469.9
Goodwill	1,007.9	1,013.0
Purchased intangible assets, net	469.4	507.8
Other long-term assets	65.9	68.4
Total assets	<u>\$ 5,294.2</u>	<u>\$ 5,098.9</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Revolving credit facility and current maturities of long-term debt	\$ —	\$ 23.0
Accounts payable	776.9	651.0
Customer advances	444.9	513.4
Payroll-related obligations	192.5	191.8
Other current liabilities	275.8	303.9
Total current liabilities	1,690.1	1,683.1
Long-term debt, less current maturities	818.0	807.9
Other long-term liabilities	272.6	300.5
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; 75,101,465 and 92,101,465 shares issued, respectively)	0.7	0.9
Additional paid-in capital	814.8	802.2
Retained earnings	2,007.9	2,399.8
Accumulated other comprehensive loss	(106.8)	(125.0)
Common Stock in treasury, at cost (2,730,707 and 17,088,224 shares, respectively)	(203.1)	(770.5)
Total shareholders' equity	2,513.5	2,307.4
Total liabilities and shareholders' equity	<u>\$ 5,294.2</u>	<u>\$ 5,098.9</u>

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OSHKOSH CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Fiscal Year Ended September 30,		
	2018	2017	2016
Operating activities:			
Net income	\$ 471.9	\$ 285.6	\$ 216.4
Asset impairment charge	—	—	26.9
Depreciation and amortization	120.5	130.3	128.8
Stock-based compensation expense	26.7	22.4	18.7
Deferred income taxes	(3.1)	7.8	(17.0)
Loss (gain) on sale of assets	1.1	(6.6)	(19.1)
Foreign currency transaction (gains) losses	1.4	1.6	(1.1)
Debt extinguishment	10.3	—	—
Other non-cash adjustments	2.3	0.1	0.3
Changes in operating assets and liabilities:			
Receivables, net	(227.0)	(295.9)	(39.6)
Inventories, net	(38.6)	(202.3)	327.2
Other current assets	11.2	14.6	(19.0)
Accounts payable	124.3	177.2	(87.6)
Customer advances	(68.4)	41.5	31.6
Payroll-related obligations	1.7	43.5	31.2
Income taxes	26.2	(14.8)	(14.0)
Other current liabilities	(33.9)	43.7	10.8
Other long-term assets and liabilities	9.7	(2.2)	(10.6)
Total changes in operating assets and liabilities	(194.8)	(194.7)	230.0
Net cash provided by operating activities	436.3	246.5	583.9
Investing activities:			
Additions to property, plant and equipment	(95.3)	(85.8)	(92.5)
Additions to equipment held for rental	(4.8)	(27.4)	(34.8)
Proceeds from sale of property, plant and equipment	5.7	0.8	0.1
Proceeds from sale of equipment held for rental	5.8	49.5	40.2
Other investing activities	(1.8)	(2.3)	(2.2)
Net cash used by investing activities	(90.4)	(65.2)	(89.2)
Financing activities:			
Net decrease in short-term debt	—	—	(33.5)
Proceeds from issuance of debt (original maturities greater than three months)	639.4	5.9	323.5
Repayments of debt (original maturities greater than three months)	(653.8)	(23.0)	(373.5)
Debt issuance costs	(12.9)	—	—
Repurchases of Common Stock	(257.0)	(4.8)	(106.3)
Dividends paid	(71.2)	(62.8)	(55.9)
Proceeds from exercise of stock options	16.6	39.9	21.7
Excess tax benefit from stock-based compensation	—	—	2.0
Net cash used by financing activities	(338.9)	(44.8)	(222.0)
Effect of exchange rate changes on cash	0.6	(11.4)	6.3
Increase in cash and cash equivalents	7.6	125.1	279.0
Cash and cash equivalents at beginning of year	447.0	321.9	42.9
Cash and cash equivalents at end of year	\$ 454.6	\$ 447.0	\$ 321.9
Supplemental disclosures:			
Cash paid for interest	\$ 55.7	\$ 57.1	\$ 54.7
Cash paid for income taxes	100.3	129.9	116.8

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