

# Oshkosh Corporation

Third Quarter 2024

October 30, 2024

JOHN PFEIFER - PRESIDENT AND CHIEF EXECUTIVE OFFICER

MIKE PACK – EXECUTIVE VICE PRESIDENT, CHIEF FINANCIAL OFFICER AND PRESIDENT, VOCATIONAL

PATRICK DAVIDSON – SENIOR VICE PRESIDENT, INVESTOR RELATIONS



**OSHKOSH™**

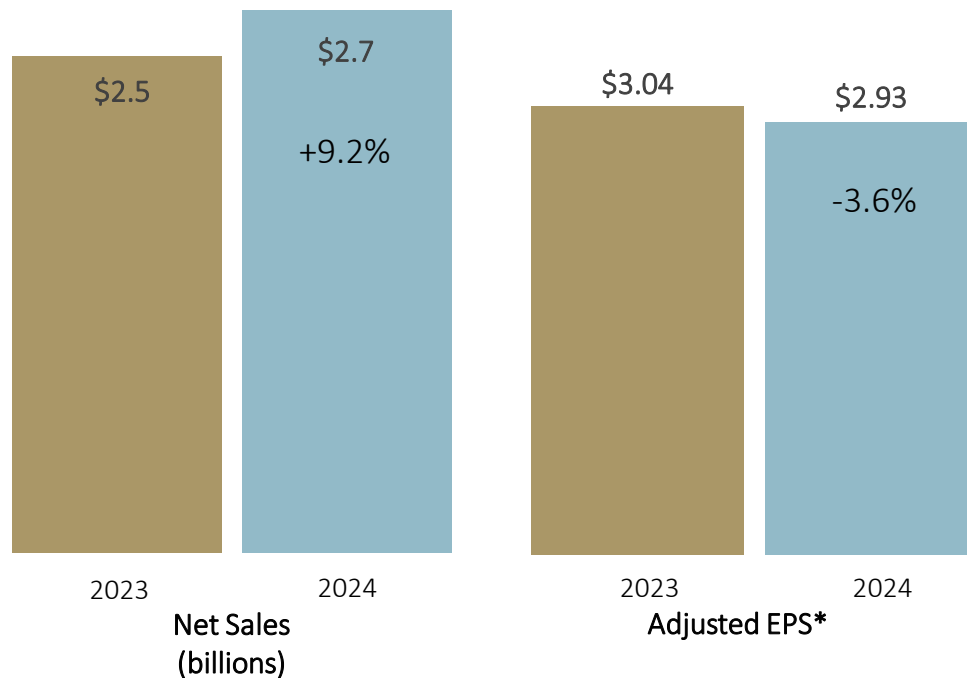
# Forward-looking statements

This presentation contains statements that the Company believes to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact, including, without limitation, statements regarding the Company’s future financial position, business strategy, targets, projected sales, costs, earnings, capital expenditures, debt levels and cash flows, and plans and objectives of management for future operations, are forward-looking statements. When used in this presentation, words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “should,” “project,” “confident” or “plan” or the negative thereof or variations thereon or similar terminology are generally intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond the Company’s control, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include the cyclical nature of the Company’s access equipment, fire apparatus, refuse collection and air transportation equipment markets, which are particularly impacted by the strength of U.S. and European economies and construction seasons; the Company’s estimates of access equipment demand which, among other factors, is influenced by historical customer buying patterns and rental company fleet replacement strategies; the impact of orders and costs on the U.S. Postal Service contract; the impact of severe weather, war, natural disasters or pandemics that may affect the Company, its suppliers or its customers; the Company’s ability to increase prices to raise margins or to offset higher input costs, including increased raw material, labor, freight and overhead costs; the Company’s ability to accurately predict future input costs associated with Defense contracts; the Company’s ability to attract and retain production labor in a timely manner; the Company’s ability to successfully integrate the AeroTech acquisition and to realize the anticipated benefits associated with the same; the strength of the U.S. dollar and its impact on Company exports, translation of foreign sales and the cost of purchased materials; the Company’s ability to predict the level and timing of orders for indefinite delivery/indefinite quantity contracts with the U.S. federal government; budget uncertainty for the U.S. federal government, including risks of future budget cuts, the impact of continuing resolution funding mechanisms and the potential for shutdowns; the impact of any U.S. Department of Defense solicitation for competition for future contracts to produce military vehicles; risks related to the collectability of receivables, particularly for those businesses with exposure to construction markets; the cost of any warranty campaigns related to the Company’s products; risks associated with international operations and sales, including compliance with the Foreign Corrupt Practices Act; risks that a trade war and related tariffs could reduce the competitiveness of the Company’s products; the Company’s ability to comply with complex laws and regulations applicable to U.S. government contractors; cybersecurity risks and costs of defending against, mitigating and responding to data security threats and breaches impacting the Company; the Company’s ability to successfully identify, complete and integrate other acquisitions and to realize the anticipated benefits associated with the same; and risks related to the Company’s ability to successfully execute on its strategic road map and meet its long-term financial goals. Additional information concerning these and other factors is contained in the Company’s filings with the Securities and Exchange Commission, including the Form 8-K filed today. All forward-looking statements speak only as of the date of this presentation. The Company assumes no obligation, and disclaims any obligation, to update information contained in this presentation. Investors should be aware that the Company may not update such information until the Company’s next quarterly earnings conference call, if at all.

# Q3 highlights

- Solid performance continues with adj. EPS\* of \$2.93
  - Revenue growth of 9.2%
  - Strong Vocational results led to consolidated adj. operating margin\* of 10.3%
- Experiencing softer access equipment market conditions in NA
- USPS making daily deliveries using NGDVs
- Received approval for Science-Based Emission Targets
- Updating 2024 expectations for adj. EPS\* to ~\$11.35

## Q3 Performance



\* Non-GAAP results. See appendix for reconciliation to GAAP results.

# Access

- Solid Q3 results with 15.5% adj. operating margin\*
- Orders moderating as market returns to more typical seasonality
- Believe long term demand drivers remain intact
- Working with customers in Q4 on 2025 requirements
- ClearSky Smart Fleet™ driving improved productivity
- Completed acquisition of Spanish specialty equipment maker AUSA in September

JLG® E313 Electric Telehandler



\* Non-GAAP results. See appendix for reconciliation to GAAP results

# Vocational

- Strong revenue growth of 17.6% in Q3; excluding AeroTech, revenues grew 7.4%\*
- Extensive visibility with backlog; capacity growth a key focus area
- Customer interest high for Volterra ZSL™ purpose-built zero emission refuse and recycling collection vehicles
- Solid performance by both IMT® and S-series™ mixers
- Strong drivers for AeroTech; IATA passenger traffic and air cargo

McNeilus® Volterra ZSL™



\* Non-GAAP results. See appendix for reconciliation to GAAP results.

# Defense

- Sales grew 14% driven by low rate NGDV production, TWV deliveries and AMPS volume
- Planning to ramp NGDV production throughout 2025
- Recent FHTV and expected FMTV contract extensions provide solid visibility and strong, resilient margins for several years
- Submitted Phase II Prototype Proposal for RCV program

HEMTT THAAD



# Consolidated results

Dollars in millions, except per share amounts

Three months ended September 30	2024	2023
Net Sales	\$ 2,741.4	\$ 2,509.9
% Change	9.2%	21.4%
Adjusted operating income*	\$ 282.5	\$ 276.3
% Change	2.2%	117.7%
% Margin	10.3%	11.0%
Adjusted EPS*	\$ 2.93	\$ 3.04
% Change	(3.6)%	164.3%

## Q3 comments

- Sales impacted by:
  - + Higher organic volume
  - + Add'l month of AeroTech sales
  - + Improved pricing
- Adjusted EPS\* impacted by:
  - Higher operating expenses
  - Higher interest expense
  - + Higher organic sales volume

\* Non-GAAP results. See appendix for reconciliation to GAAP results.





# Updated 2024 Outlook

## Expectations in the range of:

- Revenues of ~\$10.6 billion
- Adj. operating income\* of ~\$1.1 billion
- Adjusted EPS\* of ~\$11.35

## Additional expectations

- Corporate and other of ~\$190 million
- Tax rate of ~24.0%
- CapEx of ~\$275 million
- Free Cash Flow\* of ~\$350 million
- Share count of ~65.8 million

Segment information			
Measure	Access	Vocational	Defense
Sales (billions)	~\$5.1	~\$3.25	~\$2.15
Adjusted Operating Income Margin*	~16.0%	~13.25%	~2.25%

\* Non-GAAP results. See appendix for reconciliation to GAAP results.



# Contacts:

Patrick N. Davidson  
Senior Vice President, Investor Relations

[pdavidson@oshkoshcorp.com](mailto:pdavidson@oshkoshcorp.com)

920-502-3266

Victoria Connelly  
Senior Manager, Investor Relations

[vconnelly@oshkoshcorp.com](mailto:vconnelly@oshkoshcorp.com)

920-502-3108

Oshkosh Striker® Volterra™ Electric ARFF



# Appendix: Access

Dollars in millions

Three months ended September 30	2024	2023
Net Sales	\$ 1,363.3	\$ 1,318.2
% Change	3.4%	27.0%
Adjusted operating income*	\$ 211.4	\$ 231.8
% Change	(8.8)%	87.7%
% Margin	15.5%	17.6%

## Q3 comments

- Sales impacted by:
  - + Higher North American volume
  - Lower EAME and ROW volume
- Adjusted operating income\* impacted by:
  - Higher material costs
  - Higher operating costs
  - + Higher sales volume
  - + Improved sales mix
- Backlog down 46.4% vs. prior year to \$2.1 billion

\* Non-GAAP results. See appendix for reconciliation to GAAP results.



# Appendix: Vocational

Dollars in millions

Three months ended September 30	2024	2023
Net Sales	\$ 814.2	\$ 692.6
% Change	17.6%	35.4%
Adjusted operating income*	\$ 111.6	\$ 77.1
% Change	44.7%	116.6%
% Margin	13.7%	11.1%

## Q3 comments

- Sales impacted by:
  - + AeroTech acquisition
  - + Improved pricing
  - + Higher organic sales volume
- Adjusted operating income\* impacted by:
  - + Improved price/cost dynamics
- Backlog up 18.2% vs. prior year to \$5.9 billion

\* Non-GAAP results. See appendix for reconciliation to GAAP results.

# Appendix: Defense

Dollars in millions

Three months ended September 30	2024	2023
Net Sales	\$ 540.4	\$ 474.6
% Change	13.9%	(4.8)%
Adjusted operating Income*	\$ 11.2	\$ 11.7
% Change	(4.3)%	200.0%
% Margin	2.1%	2.5%

## Q3 comments

- Sales impacted by:
  - + NGDV production
  - + Higher TWV volume
  - + Higher aftermarket sales
  - International JLTV sales
- Adjusted operating income\* impacted by:
  - Unfavorable CCA
  - + Higher sales volume
- Backlog down 7.3% vs. prior year to \$6.2 billion

\* Non-GAAP results. See appendix for reconciliation to GAAP results.



# Appendix: GAAP to Non-GAAP reconciliation

The tables below present a reconciliation of the Company's presented GAAP measures to the most directly comparable non-GAAP measures (unaudited; in millions, except per share amounts):

	Three months ended September 30,					
	2024		2023			
Access segment operating income (GAAP)	\$	207.9	15.2%	\$	229.9	17.4%
Amortization of purchased intangibles		2.6	0.2%		1.9	0.2%
Amortization of inventory step-up		0.9	0.1%		-	
Adjusted Access segment operating income (non-GAAP)	\$	211.4	15.5%	\$	231.8	17.6%
Vocational segment operating income (GAAP)	\$	99.6	12.2%	\$	52.5	7.6%
Amortization of purchased intangibles		12.0	1.5%		6.8	0.9%
Acquisition costs		-			11.6	1.7%
Amortization of inventory step-up		-			6.2	0.9%
Adjusted Vocational segment operating income (non-GAAP)	\$	111.6	13.7%	\$	77.1	11.1%
Defense segment operating income (loss) (GAAP)	\$	11.2	2.1%	\$	19.7	4.2%
Gain on sale of a business		-			(8.0)	(1.7%)
Adjusted Defense segment operating income (non-GAAP)	\$	11.2	2.1%	\$	11.7	2.5%
Consolidated operating income (GAAP)	\$	266.2	9.7%	\$	256.5	10.2%
Amortization of purchased intangibles		15.4	0.6%		10.0	0.4%
Amortization of inventory step-up		0.9	0.0%		6.2	0.2%
Acquisition costs		-			11.6	0.5%
(Gain) on sale of business, net		-			(8.0)	(0.3%)
Adjusted consolidated operating income (non-GAAP)	\$	282.5	10.3%	\$	276.3	11.0%

	Three months ended September 30,			
	2024	2023		
Earnings per share-diluted (GAAP)	\$	2.75	\$	2.79
Amortization of purchased intangibles		0.23		0.15
Amortization of inventory step-up		0.01		0.09
Acquisition costs		-		0.17
(Gain) on sale of business, net		-		(0.12)
Income tax effects of adjustments		(0.06)		(0.07)
Loss on sale of equity method investment		-		0.03
Adjusted earnings per share-diluted (non-GAAP)	\$	2.93	\$	3.04

	Three months ended September 30,				
	2024	2023	% change		
Vocational Net Sales (GAAP)	\$	814.2	\$	692.6	17.6%
Less: AeroTech Sales		194.8		115.8	
Organic Vocational Sales (Non-GAAP)	\$	619.4	\$	576.8	7.4%

# Appendix: GAAP to Non-GAAP reconciliation

The tables below present a reconciliation of the Company's presented GAAP measures to the most directly comparable non-GAAP measures (unaudited, in millions, except per share amounts):

2024 Expectations	
Earnings per share-diluted (GAAP)	\$ 10.00
Amortization of purchased intangibles, net of tax	0.70
Intangible asset impairments, net of tax	0.60
Amortization of inventory step-up, net of tax	0.05
Adjusted earnings per share-diluted (non-GAAP)	\$ <u>11.35</u>
Consolidated operating income (GAAP)	\$ 980
Amortization of purchased intangibles	65
Amortization of inventory step-up	5
Intangible asset impairments	50
Adjusted consolidated operating income (non-GAAP)	\$ <u>1,100</u>

2024 Expectations	
Access segment operating income margin (GAAP)	15.75%
Amortization of purchased intangibles	0.25%
Adjusted Access segment operating income margin (non-GAAP)	<u>16.00%</u>
Vocational segment operating income margin (GAAP)	11.75%
Amortization of purchased intangibles	1.50%
Adjusted Vocational segment operating income margin (non-GAAP)	<u>13.25%</u>

2024 Expectations	
Net cash provided by operating activities	\$ 625
Additions to property, plant and equipment, net	(275)
Free cash flow	\$ <u>350</u>

# Appendix: Commonly used acronyms

ARFF	Aircraft Rescue and Firefighting	IRC	Independent Rental Company
AWP	Aerial Work Platform	JLTV	Joint Light Tactical Vehicle
AMPS	Aftermarket Parts & Service	JPO	Joint Program Office
APAC	Asia Pacific	LRIP	Low Rate Initial Production
ASC	Accounting Standards Codification	LVAD	Low Velocity Airdrop
B&P	Bid & Proposal	LVSR	Logistic Vehicle System Replacement
BEV	Battery Electric Vehicle	M-ATV	MRAP All-Terrain Vehicle
CapEx	Capital Expenditures	MCWS	Medium Caliber Weapons System
CCA	Cumulative Catch-up Adjustments	NDAA	National Defense Authorization Act
CNG	Compressed Natural Gas	NGDV	Next Generation Delivery Vehicle
DJSI	Dow Jones Sustainability Indices	NOL	Net Operating Loss
DoD	Department of Defense	NPD	New Product Development
EAME	Europe, Africa & Middle East	NRC	National Rental Company
E-HETS	Enhanced Heavy Equipment Transporter System	OH	Overhead
EMD	Engineering & Manufacturing Development	OI	Operating Income
EPA	Economic Price Adjustment	OPEB	Other Post-Employment Benefits
EPS	Diluted Earnings Per Share	PLS	Palletized Load System
eRCV	Electric Refuse Collection Vehicle	PPI	Producer Price Index
ESG	Environmental, Social, and Governance	R&D	Research & Development
EV	Electric Vehicle	RCV	Robotic Combat Vehicle or Refuse Collection Vehicle
FDIC	Fire Department Instructors Conference	RDM	Rear Discharge Mixer
FHTV	Family of Heavy Tactical Vehicles	RFP	Request for Proposal
FMS	Foreign Military Sales	ROGUE Fires	Remotely Operated Ground Unit for Expeditionary Fires
FMTV	Family of Medium Tactical Vehicles	ROW	Rest of World
FRP	Full Rate Production	S-Series	Oshkosh S-Series Front Discharge Mixer
FYDP	Future Years Defense Program	TACOM	Tank-automotive and Armaments Command
GAAP	U.S. Generally Accepted Accounting Principles	TDP	Technical Data Package
GAO	Government Accountability Office	TWV	Tactical Wheeled Vehicle
HEMTT	Heavy Expanded Mobility Tactical Truck	UK	United Kingdom
HET	Heavy Equipment Transporter	USMC	United States Marine Corps
IATA	International Air Transport Association	USPS	United States Postal Service
ICE	Internal Combustion Engine	ZR	Zero Radius
IMT	Iowa Mold Tooling Co., Inc.	ZSL	Zero Radius Side Loader