# OSHKOSH CORP

## FORM 8-K
(Current report filing)

Filed 04/30/13 for the Period Ending 04/30/13

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| CIK | 0000775158 |
| Symbol | OSK |
| SIC Code | 3711 - Motor Vehicles and Passenger Car Bodies |
| Industry | Auto & Truck Manufacturers |
| Sector | Consumer Cyclical |
| Fiscal Year | 09/30 |

# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d) of**
**the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **April 30 , 2013**

# Oshkosh Corporation

(Exact name of registrant as specified in its charter)

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| **Wisconsin** | **1-31371** | **39-0520270** |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**P.O. Box 2566, Oshkosh, Wisconsin 54903**
(Address of principal executive offices, including zip code)

**(920) 235-9151**
(Registrant's telephone number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 . Results of Operations and Financial Condition .

On April 30, 2013, Oshkosh Corporation (the "Company") issued a press release (the "Press Release") announcing its earnings for its second fiscal quarter ended March 31, 2013. A copy of such press release is furnished as Exhibit 99.1 and is incorporated by reference herein.

On April 30, 2013, the Company is holding a conference call in connection with the Company's announcement of its earnings for its second fiscal quarter ended March 31, 2013. An audio replay of such conference call and the related question and answer session will be available for at least twelve months on the Company's website at www.oshkoshcorporation.com .

The information, including, without limitation, all forward-looking statements, contained in the Press Release and related slide presentation on the Company's website (the "Slide Presentation") or provided in the conference call and related question and answer session speaks only as of April 30, 2013. The Company assumes no obligation, and disclaims any obligation, to update information contained in the Press Release and the Slide Presentation or provided in the conference call and related question and answer session. Investors should be aware that the Company may not update such information until the Company's next quarterly earnings conference call, if at all.

The Press Release and the Slide Presentation contain, and representatives of the Company may make during the conference call and the related question and answer session, 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 included in the Press Release and the Slide Presentation or made during the conference call and related question and answer session, 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, plans and objectives of management for future operations, and compliance with credit agreement covenants are forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "project" or "plan," or the negative thereof or variations thereon or similar terminology. The Company cannot provide any assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from the Company's expectations include, without limitation, those set forth under the caption "Risk Factors" below. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained from time to time in the Company's filings with the Securities and Exchange Commission ("SEC").

In this Current Report on Form 8-K, "we," "us" or "our" refers to Oshkosh Corporation.

**RISK FACTORS**

***Certain of our markets are highly cyclical and the current or any further decline in these markets could have a material adverse effect on our operating performance.***

The high levels of sales in our defense segment from 2002 to 2012 was due in significant part to demand for defense trucks, replacement parts and services (including armoring) and truck remanufacturing arising from the conflicts in Iraq and Afghanistan. Events such as these are unplanned, as is the demand for our products that arises out of such events. Virtually all U.S. troops were withdrawn from Iraq during 2011, and plans are in place for the withdrawal of most U.S. combat troops from Afghanistan by December 2014, both of which will likely result in further reductions to the level of defense funding allocated to support U.S. military involvement in those conflicts. In addition, current economic and political conditions have put significant pressure on the U.S. federal budget, including the defense budget. As expected, the United States Department of Defense ("DoD") budget for fiscal 2013 included significantly lower funding for purchases of new military vehicles that we manufacture under our Family of Heavy Tactical Vehicles ("FHTV") and Family of Medium Tactical Vehicles ("FMTV") contracts than in prior years. In addition, the President's fiscal 2014 defense budget request, which includes projected funding requests for defense programs through fiscal 2018, includes slightly lower funding levels for the FHTV and FMTV programs than the already significantly reduced levels that were included in the fiscal 2013 budget and includes no planned funding for the FMTV program starting in fiscal 2015. In addition, the Budget Control Act of 2011 contains an automatic sequestration feature that requires an additional $600 billion of cuts to defense spending over the next ten

years. Sequestration took effect on March 1, 2013 following the failure by Congress to enact the necessary legislation to reduce the U.S. federal deficit as mandated by the Budget Control Act of 2011. The magnitude of the adverse impact that federal budget pressures and expected reductions in future defense funding as a result of the withdrawal of U.S. troops from Iraq and planned withdrawal of U.S. troops from Afghanistan will have on funding for Oshkosh defense programs is uncertain, but directionally, we expect such funding to decline significantly. Furthermore, our defense business may fluctuate significantly from time to time as a result of the start and completion of existing and new contract awards that we may receive.

The decline, compared to historical levels, in overall customer demand in our commercial and fire & emergency markets that we have experienced since the start of the global economic downturn and any further decline could have a material adverse effect on our operating performance. While demand in our access equipment markets has rebounded from historical lows that we experienced during the Great Recession and housing starts have begun to improve to support recovery in several of our product lines, such demand is dependent on the global economies and may not be sustainable. Specifically, there are concerns about European economies. Further, sales in Australia have declined in fiscal 2013 from the prior year and there are mixed economic signs in the U.S. All of these factors, whether taken together or individually, could result in lower demand for our products. The access equipment market is highly cyclical and impacted by the strength of economies in general, by residential and non-residential construction spending, by the ability of rental companies to obtain third-party financing to purchase revenue generating assets, by capital expenditures of rental companies in general and by other factors. The ready-mix concrete market that we serve is highly cyclical and impacted by the strength of the economy generally, by the number of housing starts and by other factors that may have an effect on the level of concrete placement activity, either regionally or nationally. Refuse collection vehicle markets are also cyclical and impacted by the strength of economies in general, by municipal tax receipts and by the size and timing of capital expenditures by large waste haulers. Fire & emergency markets are cyclical later in an economic downturn and are impacted by the economy generally and by municipal tax receipts and capital expenditures. Concrete mixer and access equipment sales also are seasonal with the majority of such sales occurring in the spring and summer months, which constitute the traditional construction season in the Northern hemisphere.

The global economy continues to experience weakness, which has negatively impacted sales volumes for our access equipment, commercial and fire & emergency products as compared to historical levels. In addition, the global economic weakness has resulted in lending institutions imposing tighter credit lending standards, which has continued to restrict our customers' access to capital. Continued weakness in U.S. and European housing starts and non-residential construction spending from historical levels in most geographical areas of the world are further contributing to the lower sales volumes. A lack of significant improvement in residential and non-residential construction spending or continued low levels of construction activity generally may cause future weakness in demand for our products. Municipal tax revenues in the U.S. remain weak, which continues to negatively impact demand for refuse collection vehicles and fire apparatus and has delayed the recovery in these markets. Furthermore, growth in some emerging markets has slowed and could slow even further, which could negatively impact our growth in those markets. We cannot provide any assurance that the global economic weakness and tight credit markets will not continue or become more severe. In addition, we cannot provide any assurance that any economic recovery will not progress more slowly than what we or the market expect. If the global economic weakness and tight credit markets continue or become more severe, or if any economic recovery progresses more slowly than what we or the market expect, then there could be a material adverse effect on our net sales, financial condition, profitability and/or cash flows.

***Our dependency on contracts with U.S. and foreign government agencies subjects us to a variety of risks that could materially reduce our revenues or profits.***

We are dependent on U.S. and foreign government contracts for a substantial portion of our business. Approximately 91% of our defense segment sales in fiscal 2012 were to the DoD. That business is subject to the following risks, among others, that could have a material adverse effect on our operating performance:

- Our business is susceptible to changes in the U.S. defense budget, which may reduce revenues that we expect from our defense business, especially in light of federal budget pressures in part caused by U.S. economic weakness, the withdrawal of U.S. troops from Iraq, the plans to withdraw U.S. troops from

Afghanistan by December 2014, sequestration and the level of defense funding that will be allocated to the DoD's tactical wheeled vehicle strategy generally.

- The U.S. government may not appropriate funding that we expect for our U.S. government contracts, which may prevent us from realizing revenues under current contracts or receiving additional orders that we anticipate we will receive.

- Certain of our government contracts for the U.S. Army and U.S. Marines could be suspended or terminated, and all such contracts expire in the future and may not be replaced, which could reduce revenues that we expect under the contracts and negatively affect margins in our defense segment.

- The Weapon Systems Acquisition Reform Act requires competition for U.S. defense programs in certain circumstances. Competition for DoD programs that we currently have could result in the U.S. government awarding future contracts to another manufacturer or the U.S. government awarding the contracts to us at lower prices and operating margins than we experience under the current contracts.

- Defense truck contract awards that we receive may be subject to protests by competing bidders, which protests, if successful, could result in the DoD revoking part or all of any defense truck contract it awards to us and our inability to recover amounts we have expended in anticipation of initiating production under any such contract.

- Most of our government contracts are fixed-price contracts with price escalation factors included for those contracts that extend beyond one year. Our actual costs on any of these contracts may exceed our projected costs, which could result in profits lower than historically realized or than we anticipate or net losses under these contracts.

- We recognize revenue on certain undefinitized contracts with the DoD to the extent that we can reasonably and reliably estimate the expected final contract price and when collectability is reasonably assured. Undefinitized contracts are used when we and the DoD have not agreed upon all contract terms before we begin performance under the contracts. At March 31, 2013, we had recorded $89.8 million in revenue on contracts that remain undefinitized. To the extent that contract definitization results in changes or adjustments to previously recognized revenues or estimated or incurred costs, including charges from subcontractors, we record those adjustments as a change in estimate in the period of change. While we believe the definitization of contracts will not have a material adverse effect on our financial condition, actual results could vary from current estimates.

- We must spend significant sums on product development and testing, bid and proposal activities and pre-contract engineering, tooling and design activities in competitions to have the opportunity to be awarded these contracts.

- Competitions for the award of defense truck contracts are intense, and we cannot provide any assurance that we will be successful in the defense truck procurement competitions in which we participate.

- Our defense products undergo rigorous testing by the customer and are subject to highly technical requirements. Our products are inspected extensively by the DoD prior to acceptance to determine adherence to contractual technical and quality requirements. Any failure to pass these tests or to comply with these requirements could result in unanticipated retrofit and rework costs, vehicle design changes, delayed acceptance of vehicles, late or no payments under such contracts or cancellation of the contract to provide vehicles to the U.S. government.

- As a U.S. government contractor, our U.S. government contracts and systems are subject to audit and review by the Defense Contract Audit Agency and the Defense Contract Management Agency. These agencies review our performance under our U.S. government contracts, our cost structure and our compliance with laws and regulations applicable to U.S. government contractors. Systems that are subject to review include, but are not limited to, our accounting systems, estimating systems, material management systems, earned value management systems, purchasing systems and government property systems. If an audit uncovers improper or illegal activities, then we may be subject to civil and criminal penalties and administrative sanctions that may include the termination of our U.S. government contracts, forfeiture of profits, suspension of payments, fines and, under certain circumstances, suspension or debarment from future U.S. government contracts for a period of time. Whether or not illegal activities are alleged, the U.S. government also has the ability to decrease or withhold certain payments when it deems systems subject to

its review to be inadequate. These laws and regulations affect how we do business with our customers and, in some instances, impose added costs on our business.

- Our defense truck contracts are large in size and require significant personnel and production resources, and when such contracts end or significantly reduce their vehicle requirements, we must make adjustments to personnel and production resources. This was the case in October 2012 when we announced the layoff of 450 full time employees and 40 contractors effective January 2013 due to a reduction in production levels. This was also the case when we recently-announced plans to lay-off approximately 700 additional production employees and 200 salaried employees and contractors in June and July 2013. If we are unable to effectively reduce our cost structure commensurate with the completion of certain large defense contracts, our future earnings and cash flows would be adversely affected. In addition, if we are not able to utilize existing defense segment production equipment for alternative purposes, we could incur asset impairment charges as a result of the significant reduction in projected U.S. defense funding.

- We have historically received payments in advance of product deliveries, or performance-based payments ("PBP"), on a number of our U.S. government contracts. In the event that we are not able to meet contractual delivery requirements on these contracts, the U.S. government may discontinue providing PBPs. The U.S. government may also become less willing to offer PBPs or reduce the amount of PBPs on new contract awards, as was the case on our recently negotiated FHTV contract extension. If we stop receiving PBPs or receive PBPs at lower levels on future contract awards, it could have an adverse effect on our cash flows.

- In the event of component availability constraints, the U.S. government has the ability to unilaterally divert the supply of components used on multiple government programs to those programs rated most urgent (DX-rated programs). This could result in the U.S. government diverting the supply of component parts necessary for the production of vehicles under our U.S. defense contracts to other contractors.

- We periodically experience difficulties with sourcing sufficient vehicle carcasses from the U.S. military to maintain our defense truck remanufacturing schedule, which can create uncertainty and inefficiencies for this area of our business.

***We may not be able to execute on our MOVE strategy and meet our long-term financial goals.***

We have announced a roadmap, our MOVE strategy, to deliver long-term growth and earnings for our shareholders and to meet our long-term financial goals. The long-term financial goals that we expect to achieve as a result of our MOVE strategy are based on certain assumptions we have made, which assumptions may prove to be incorrect. We cannot provide any assurance we will be able to successfully execute our MOVE strategy, which is subject to a variety of risks, including the following:

- A lower or slower than expected recovery in housing starts and non-residential construction spending in the U.S.;

- Slower recovery in any of our global markets than we expect;

- Greater than expected declines in DoD tactical wheeled vehicle spending;

- Our inability to adjust our cost structure in response to lower defense spending;

- Greater than expected pressure on municipal budgets;

- Our inability to raise prices to offset cost increases or increase margins;

- The possibility that commodity cost escalations could erode profits;

- Low cost competitors aggressively entering one or more of our markets with significantly lower pricing;

- Primary competitors vying for share gains through aggressive price competition;

- Our inability to obtain and retain adequate resources to support production ramp-ups, including management personnel;

- The inability of our supply base to keep pace with the economic recovery;

- Our failure to realize product, process and overhead cost reduction targets;

- Not winning key large DoD contracts, such as the Joint Light Tactical Vehicle production contract and any additional international MRAP All-Terrain Vehicle contracts;

- Our inability to innovate effectively and rapidly to expand sales and margins; and

- Slow adoption of our products in emerging markets and/or our inability to successfully execute our emerging market growth strategy.

***An impairment in the carrying value of goodwill and other indefinite-lived intangible assets could negatively affect our operating results.***

We have a substantial amount of goodwill and purchased intangible assets on our balance sheet as a result of acquisitions we have completed. At March 31, 2013, approximately 88% of these intangibles were concentrated in the access equipment segment. The carrying value of goodwill represents the fair value of an acquired business in excess of identifiable assets and liabilities as of the acquisition date. The carrying value of indefinite-lived intangible assets represents the fair value of trademarks and trade names as of the acquisition date. We do not amortize goodwill and indefinite-lived intangible assets that we expect to contribute indefinitely to our cash flows, but instead we evaluate these assets for impairment at least annually, or more frequently if potential interim indicators exist that could result in impairment. In testing for impairment, if the carrying value of a reporting unit exceeds its current fair value as determined based on the discounted future cash flows of the reporting unit and market comparable sales and earnings multiples, the goodwill or intangible asset is considered impaired and is reduced to fair value via a non-cash charge to earnings. Events and conditions that could result in impairment include a prolonged period of global economic weakness and tight credit markets, a further decline in economic conditions or a slow, weak economic recovery, as well as sustained declines in the price of our common stock, adverse changes in the regulatory environment, adverse changes in interest rates, or other factors leading to reductions in the long-term sales or profitability that we expect. Determination of the fair value of a reporting unit includes developing estimates which are highly subjective and incorporate calculations that are sensitive to minor changes in underlying assumptions. Management's assumptions change as more information becomes available. Changes in these assumptions could result in an impairment charge in the future, which could have a significant adverse impact on our reported earnings.

***Financing costs and restrictive covenants in our current debt facilities could limit our flexibility in managing our business and increase our vulnerability to general adverse economic and industry conditions.***

Our credit agreement contains financial and restrictive covenants which, among other things, require us to satisfy quarter-end financial ratios, including a leverage ratio, a senior secured leverage ratio and an interest coverage ratio. Our ability to meet the financial ratios in such covenants may be affected by a number of risks or events, including the risks described in this Current Report on Form 8-K and events beyond our control. The indenture governing our senior notes also contains restrictive covenants. Any failure by us to comply with these restrictive covenants or the financial and restrictive covenants in our credit agreement could have a material adverse effect on our financial condition, results of operations and debt service capability.

Our access to debt financing at competitive risk-based interest rates is partly a function of our credit ratings. Our current long-term debt ratings are BB with "positive" outlook from Standard & Poor's Rating Services and Ba3 with "stable" outlook from Moody's Investors Service. A downgrade to our credit ratings could increase our interest rates, could limit our access to public debt markets, could limit the institutions willing to provide us credit facilities, and could make any future credit facilities or credit facility amendments more costly and/or difficult to obtain.

We had $955 million of debt outstanding as of March 31, 2013, which consisted primarily of a $455 million term loan under our credit agreement maturing in October 2015 and $500 million of senior notes, $250 million of which mature in March 2017 and $250 million of which mature in March 2020. Our ability to make required payments of principal and interest on our debt will depend on our future performance, which, to a certain extent, is subject to general economic, financial, competitive, political and other factors, some of which are beyond our control. As we discuss above, our dependency on contracts with U.S. and foreign government agencies subjects us to a variety of risks that, if realized, could materially reduce our revenues, profits and cash flows. In addition, among other risks that we face that could affect our revenues, profits and cash flows, current continued economic uncertainty, declining U.S. defense budgets and tight credit markets could become more severe or prolonged. Accordingly, conditions could arise that could limit our ability to generate sufficient cash flows or access

borrowings to enable us to fund our liquidity needs, further limit our financial flexibility or impair our ability to obtain alternative financing sufficient to repay our debt at maturity.

The covenants in our credit agreement and the indenture governing our senior notes, our credit rating, our current debt levels and the current credit market conditions could have important consequences for our operations, including:

- Render us more vulnerable to general adverse economic and industry conditions in our highly cyclical markets or economies generally;
- Require us to dedicate a portion of our cash flow from operations to interest costs or required payments on debt, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, research and development, share repurchases, dividends and other general corporate activities;
- Limit our ability to obtain additional financing in the future to fund growth working capital, capital expenditures, new product development expenses and other general corporate requirements;
- Limit our ability to enter into additional foreign currency and interest rate derivative contracts;
- Make us vulnerable to increases in interest rates as a portion of our debt under our credit agreement is at variable rates;
- Limit our flexibility in planning for, or reacting to, changes in our business and the markets we serve;
- Place us at a competitive disadvantage compared to less leveraged competitors; and
- Limit our ability to pursue strategic acquisitions that may become available in our markets or otherwise capitalize on business opportunities if we had additional borrowing capacity.

***Raw material price fluctuations may adversely affect our results.***

We purchase, directly and indirectly through component purchases, significant amounts of steel, aluminum, petroleum based products and other raw materials annually. Steel, aluminum, fuel and other commodity prices have historically been highly volatile. There are indications that costs for these items may increase in the future due to one or more of the following: a sustained economic recovery, political unrest in certain countries or a weakening U.S. dollar. Increases in commodity costs negatively impact the profitability of orders in backlog as prices on those orders are usually fixed. If we are not able to recover commodity cost increases through price increases to our customers on new orders, then such increases will have an adverse effect on our results of operations. Additionally, if we are unable to negotiate timely component cost decreases commensurate with any decrease in commodity costs, our higher component prices could put us at a material disadvantage as compared to our competition.

Furthermore, in the defense segment, we largely do business under multi-year firm, fixed-price contracts with the DoD, which typically contain annual price increases. We attempt to limit the risk related to raw material price fluctuations in the defense segment by obtaining firm pricing from suppliers at the time a contract is awarded. However, if these suppliers do not honor their contracts, then we could face margin pressure in our defense business.

***We expect to incur costs and charges as a result of measures such as facilities and operations consolidations and workforce reductions that we expect will reduce on-going costs, and those measures also may be disruptive to our business and may not result in anticipated cost savings.***

We have been consolidating facilities and operations in an effort to make our business more efficient and expect to continue to review our overall manufacturing footprint. We have incurred, and expect to incur in the future, additional costs and restructuring charges in connection with such consolidations, workforce reductions and other cost reduction measures that have adversely affected, and to the extent incurred in the future would adversely affect, our future earnings and cash flows. Furthermore, such actions may be disruptive to our business. This may result in production inefficiencies, product quality issues, late product deliveries or lost orders as we begin production at consolidated facilities, which would adversely impact our sales levels, operating results and operating margins. In addition, we may not realize the cost savings that we expect to realize as a result of such actions.

In April 2013, we announced the layoff of approximately 700 full time production employees and 200 salaried employees and contractors in the defense segment in June and July 2013. This action was in response to a reduction in production levels due to lower demand from the DoD. We may incur additional costs and restructuring charges in connection with such workforce reductions that could adversely affect our future earnings and cash flows. Furthermore, such actions may be disruptive to our business.

***We may experience losses in excess of our recorded reserves for doubtful accounts, finance receivables, notes receivable and guarantees of indebtedness of others.***

As of March 31, 2013, we had consolidated gross receivables of $1.01 billion. In addition, we were a party to agreements whereby we estimate our maximum exposure to be $89.2 million under guarantees of customer indebtedness to third parties aggregating approximately $365.7 million. We evaluate the collectability of open accounts, finance receivables, notes receivable and our guarantees of indebtedness of others based on a combination of factors and establish reserves based on our estimates of potential losses. In circumstances where we believe it is probable that a specific customer will have difficulty meeting its financial obligations, a specific reserve is recorded to reduce the net recognized receivable to the amount we expect to collect, and/or we recognize a liability for a guarantee we expect to pay, taking into account any amounts that we would anticipate realizing if we are forced to repossess the equipment that supports the customer's financial obligations to us. We also establish additional reserves based upon our perception of the quality of the current receivables, the current financial position of our customers and past collections experience. Continued economic weakness and tight credit markets may result in additional requirements for specific reserves. During periods of economic weakness, the collateral underlying our guarantees of indebtedness of customers or receivables can decline sharply, thereby increasing our exposure to losses. We also face a concentration of credit risk as the access equipment segment's ten largest debtors at March 31, 2013 represented approximately 27% of our consolidated gross receivables. Some of these customers are highly leveraged. We may incur losses in excess of our recorded reserves if the financial condition of our customers were to deteriorate or the full amount of any anticipated proceeds from the sale of the collateral supporting our customers' financial obligations is not realized. Our cash flows and overall liquidity may be materially adversely affected if any of the financial institutions that finance our customer receivables become unable or unwilling, due to unfavorable economic conditions, a weakening of our or their financial position or otherwise, to continue providing such credit.

***A disruption or termination of the supply of parts, materials, components and final assemblies from third-party suppliers could delay sales of our vehicles and vehicle bodies.***

We have experienced, and may in the future experience, significant disruption or termination of the supply of some of our parts, materials, components and final assemblies that we obtain from sole source suppliers or subcontractors. We may also incur a significant increase in the cost of these parts, materials, components or final assemblies. These risks are increased in a weak economic environment with tight credit conditions and when demand increases coming out of an economic downturn. Such disruptions, terminations or cost increases have resulted and could further result in manufacturing inefficiencies due to us having to wait for parts to arrive on the production line, could delay sales and could result in a material adverse effect on our net sales, financial condition, profitability and/or cash flows.

***Our objective is to expand international operations and sales, the conduct of which subjects us to risks that may have a material adverse effect on our business.***

Expanding international operations and sales is a part of our growth strategy. Our outlook depends in part upon increases in international orders and sales that may not materialize. International operations and sales are subject to various risks, including political, religious and economic instability, local labor market conditions, the imposition of foreign tariffs and other trade barriers, the impact of foreign government regulations and the effects of income and withholding taxes, governmental expropriation and differences in business practices. We may incur increased costs and experience delays or disruptions in product deliveries and payments in connection with international manufacturing and sales that could cause loss of revenues and earnings. Among other things, there are additional logistical requirements associated with international sales, which increase the amount of time between the completion of vehicle production and our ability to recognize related revenue. In addition, expansion into foreign markets requires the establishment of distribution networks and may require modification of products to meet local requirements or preferences. Establishment of distribution networks or modification to the design of our products to

meet local requirements and preferences may take longer or be more costly than we anticipate and could have a material adverse effect on our ability to achieve international sales growth. In addition, our entry into certain markets that we wish to enter may require us to establish a joint venture. Identifying an appropriate joint venture partner and creating a joint venture could be more time consuming, more costly and more difficult than we anticipate.

As a result of our international operations and sales, we are subject to the Foreign Corrupt Practices Act ("FCPA") and other laws that prohibit improper payments or offers of payments to foreign governments and their officials for the purpose of obtaining or retaining business. Our international activities create the risk of unauthorized payments or offers of payments in violation of the FCPA by one of our employees, consultants, sales agents or distributors, because these parties are not always subject to our control. Any violations of the FCPA could result in significant fines, criminal sanctions against us or our employees, and prohibitions on the conduct of our business, including our business with the U.S. government. We are also increasingly subject to export control regulations, including, without limitation, the United States Export Administration Regulations and the International Traffic in Arms Regulations. Unfavorable changes in the political, regulatory or business climate could have a material adverse effect on our net sales, financial condition, profitability and/or cash flows.

***We are subject to fluctuations in exchange rates associated with our non-U.S. operations that could adversely affect our results of operations and may significantly affect the comparability of our results between financial periods.***

Approximately 22% of our net sales in fiscal 2012 were attributable to products sold outside of the United States, including approximately 18% that involved export sales from the United States. The majority of export sales are denominated in U.S. dollars. Sales outside the United States are typically made in the local currencies of those countries. Fluctuations in foreign currency can have an adverse impact on our sales and profits as amounts that are measured in foreign currency are translated back to U.S. dollars. We have sales of inventory denominated in U.S. dollars to certain of our subsidiaries that have functional currencies other than the U.S. dollar. The exchange rates between many of these currencies and the U.S. dollar have fluctuated significantly in recent years and may fluctuate significantly in the future. Such fluctuations, in particular those with respect to the Euro, the Chinese Renminbi, the Canadian dollar, the Brazilian real and the Australian dollar, may have a material effect on our net sales, financial condition, profitability and/or cash flows and may significantly affect the comparability of our results between financial periods. Any appreciation in the value of the U.S. dollar in relation to the value of the local currency will adversely affect our revenues from our foreign operations when translated into U.S. dollars. Similarly, any appreciation in the value of the U.S. dollar in relation to the value of the local currency of those countries where our products are sold will increase our costs in our foreign operations, to the extent such costs are payable in foreign currency, when translated into U.S. dollars.

***Changes in regulations could adversely affect our business.***

Both our products and the operation of our manufacturing facilities are subject to statutory and regulatory requirements. These include environmental requirements applicable to manufacturing and vehicle emissions, government contracting regulations and domestic and international trade regulations. A significant change to these regulatory requirements could substantially increase manufacturing costs or impact the size or timing of demand for our products, all of which could make our business results more variable.

In particular, climate change is receiving increasing attention worldwide. Many scientists, legislators and others attribute climate change to increased levels of greenhouse gases, including carbon dioxide, which has led to significant legislative and regulatory efforts to limit greenhouse gas emissions. Congress has previously considered and may in the future implement restrictions on greenhouse gas emissions through a cap-and-trade system under which emitters would be required to buy allowances to offset emissions of greenhouse gas. In addition, several states, including states where we have manufacturing plants, are considering various greenhouse gas registration and reduction programs. Our manufacturing plants use energy, including electricity and natural gas, and certain of our plants emit amounts of greenhouse gas that may be affected by these legislative and regulatory efforts. Greenhouse gas regulation could increase the price of the electricity we purchase, increase costs for our use of natural gas, potentially restrict access to or the use of natural gas, require us to purchase allowances to offset our own emissions or result in an overall increase in our costs of raw materials, any one of which could increase our costs, reduce our

competitiveness in a global economy or otherwise negatively affect our business, operations or financial results.

In 2012, the SEC adopted disclosure requirements related to certain minerals sourced from the Democratic Republic of Congo or adjoining countries, as required by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The final rules impose diligence and disclosure obligations with respect to "conflict minerals," defined as tin, tantalum, tungsten and gold, which are necessary to the functionality of a product manufactured, or contracted to be manufactured, by an SEC reporting company. Certain of these minerals, particularly gold, are used extensively in components manufactured by our suppliers (or in components incorporated by our suppliers into components supplied to us) for use in our vehicles or other products. If any "conflict minerals" that are necessary to the functionality of a product manufactured by an SEC reporting company originated in the Democratic Republic of Congo or an adjoining country, the final rules require the issuer to prepare and file a report addressing its efforts to exercise due diligence on the source of such "conflict minerals" and their chain of custody. Our supply chain is complex. While we have no intention to use minerals sourced from the Democratic Republic of Congo or adjoining countries, we expect to incur significant costs to determine the source and custody of any "conflict minerals" necessary to the functionality of the products we manufacture. We may also face reputational challenges if we are unable to verify the origins for all "conflict minerals" used in our products, or if we are unable to certify that our products are "conflict free." Implementation of these rules may also affect the sourcing and availability of some minerals necessary to the manufacture of our products and may affect the availability and price of "conflict minerals" capable of certification as "conflict-free." Accordingly, we may incur significant costs as a consequence of these rules, which may adversely affect our business, financial condition or results of operations.

***Disruptions within our dealer network could adversely affect our business.***

Although we sell the majority of our products directly to the end user, we market, sell and service products through a network of independent dealers in the fire & emergency segment and in a limited number of markets for the access equipment and commercial segments. As a result, our business with respect to these products is influenced by our ability to establish and manage new and existing relationships with dealers. While we have relatively low turnover of dealers, from time to time, we or a dealer may choose to terminate the relationship as a result of difficulties that our independent dealers experience in operating their businesses due to economic conditions or other factors, or as a result of an alleged failure by us or an independent dealer to comply with the terms of our dealer agreement. We do not believe our business is dependent on any single dealer, the loss of which would have a sustained material adverse effect upon our business. However, disruption of dealer coverage within a specific state or other geographic market could cause difficulties in marketing, selling or servicing our products and have an adverse effect on our business, operating results or financial condition.

In addition, our ability to terminate our relationship with a dealer is limited due to state dealer laws, which generally provide that a manufacturer may not terminate or refuse to renew a dealer agreement unless it has first provided the dealer with required notices. Under many state laws, dealers may protest termination notices or petition for relief from termination actions. Responding to these protests and petitions may cause us to incur costs and, in some instances, could lead to litigation resulting in lost opportunities with other dealers or lost sales opportunities, which may have an adverse effect on our business, operating results or financial condition.

Item 9.01 . Financial Statements and Exhibits .

(a) Not applicable.

(b) Not applicable.

(c) Not applicable.

(d) Exhibits . The following exhibit is being furnished herewith:

(99.1) Oshkosh Corporation Press Release dated April 30, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OSHKOSH CORPORATION

Date: April 30, 2013

By: /s/ David M. Sagehorn
David M. Sagehorn
Executive Vice President and
Chief Financial Officer

OSHKOSH CORPORATION

Exhibit Index to Current Report on Form 8-K
Dated April 30, 2013

| **Exhibit Number** | |
|---|---|
| (99.1) | Oshkosh Corporation Press Release dated April 30, 2013. |

**Exhibit 99.1**

OSHKOSH CORPORATION

FOR IMMEDIATE RELEASE

For more information, contact:

Financial: Patrick Davidson
Vice President, Investor Relations
920.966.5939

Media: John Daggett
Vice President, Communications
920.233.9247

# OSHKOSH CORPORATION REPORTS FISCAL 2013 SECOND QUARTER RESULTS

## *Operating Income Margins Improved in All Segments in Second Quarter*

## *Raises Fiscal 2013 Adjusted EPS Estimate Range to $2.90 to $3.15*

**OSHKOSH, WI – (April 30, 2013)** — Oshkosh Corporation (NYSE: OSK) today reported fiscal 2013 second quarter net income of $85.4 million, or $0.96 per diluted share, compared to $42.8 million, or $0.47 per diluted share, in the second quarter of fiscal 2012. All results are for continuing operations attributable to Oshkosh Corporation, unless stated otherwise.

Consolidated net sales in the second quarter of fiscal 2013 were $1.98 billion, a decline of 3.8 percent compared to the prior year second quarter. Higher sales in all non-defense segments were not sufficient to offset an expected decline in defense segment sales.

Consolidated operating income in the second quarter of fiscal 2013 was $134.6 million, or 6.8 percent of sales, compared to $84.1 million, or 4.1 percent of sales, in the prior year second quarter. Operating income margins improved in the second quarter of fiscal 2013 as a result of improved pricing, higher margins associated with international sales of MRAP All-Terrain Vehicles (M-ATVs) and operational efficiencies.

“The Oshkosh team executed well in our second fiscal quarter. All four of our business segments delivered improved operating income margins compared to the prior year quarter, resulting in a more than doubling of our diluted earnings per share to $0.96,” said Charles L. Szews, Oshkosh Corporation chief executive officer. “Our access equipment segment continued to benefit from replacement driven demand and improved pricing, while concrete placement product sales in the commercial segment reached the highest level of quarterly sales in nearly five years, benefitting mainly from improvements in the domestic housing market.

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"We are focusing our energy on disciplined execution of our MOVE strategy. Each segment is making sound progress optimizing its cost structure to deliver on our margin improvement targets. We seek to delight our customers and shareholders as we continue the company-wide roll out of MOVE related initiatives.

"The strong results we are reporting today enable us to raise our expectations for adjusted earnings per share for fiscal 2013 to a range of $2.90 to $3.15 [1] . We are confident in the abilities of our employees and business partners as we work toward successfully achieving our fiscal 2015 earnings per share goal of $4.00 to $4.50," added Szews.

Factors affecting second quarter results for the Company's business segments included:

**Access Equipment** – Access equipment segment sales increased 7.5 percent to $817.4 million for the second quarter of fiscal 2013 compared to the prior year second quarter. The increase was principally the result of higher replacement demand for telehandlers in North America, the realization of previously announced price increases and higher aftermarket parts & service sales, offset in part by lower unit sales volume in Australia, due to a pause in purchases by a major customer and a slowdown in mining and energy activity.

In the second quarter of fiscal 2013, access equipment segment operating income increased 38.9 percent to $95.0 million, or 11.6 percent of sales, compared to prior year second quarter operating income of $68.4 million, or 9.0 percent of sales. The increase in operating income was primarily the result of the realization of previously announced price increases, higher telehandler unit sales volume and benefits from MOVE initiatives, offset in part by lower unit sales volume in Australia.

**Defense** – Defense segment sales decreased 16.2 percent to $827.6 million for the second quarter of fiscal 2013 compared to the prior year second quarter. The decrease in sales was primarily due to expected lower M-ATV aftermarket parts & service sales and lower Family of Medium Tactical Vehicles unit sales, offset in part by higher international M-ATV sales.

In the second quarter of fiscal 2013, defense segment operating income increased 59.7 percent to $67.0 million, or 8.1 percent of sales, compared to prior year second quarter operating income of $41.9 million, or 4.2 percent of sales. The increase in operating income was largely due to a favorable product mix that included a large percentage of international M-ATV sales, improved operational efficiencies and lower new product development spending, offset in part by lower truck sales volumes to the U.S. Department of Defense (DoD). In addition, the second quarter of fiscal 2013 included net charges of $1.4 million related to workforce reductions.

**Fire & Emergency** – Fire & emergency segment sales for the second quarter of fiscal 2013 increased 3.3 percent to $174.0 million compared to the prior year quarter. The increase in sales primarily reflected an improved product mix as a result of the sale of a higher percentage of units built on custom chassis, which have higher prices than units built on commercial chassis, and the realization of previously announced price increases, offset in part by lower unit sales volumes. The second quarter of the prior year included the delivery of 42 Rapid Intervention Vehicles under a contract with the United States Air Force.

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[1] This press release refers to GAAP (U.S. generally accepted accounting principles) and non-GAAP financial measures. Oshkosh Corporation believes that the non-GAAP measures provide investors a useful comparison of the Company's performance to prior period results. These non-GAAP measures may not be comparable to similarly titled measures being disclosed by other companies. A reconciliation of these non-GAAP financial measures to the most comparable GAAP measures can be found under the caption "Non-GAAP Financial Measures" in this press release.

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The fire & emergency segment reported operating income of $2.7 million, or 1.6 percent of sales, for the second quarter of fiscal 2013 compared to an operating loss of $3.0 million, or 1.8 percent of sales, in the prior year quarter. Operating results for the second quarter of fiscal 2013 were positively impacted by improved price realization and lower operating expenses, offset in part by lower absorption as a result of the lower unit sales volumes.

**Commercial –** Commercial segment sales increased 10.6 percent to $185.5 million in the second quarter of fiscal 2013 compared to the prior year quarter. The increase in sales was primarily attributable to higher concrete placement products volume as a result of increased demand in the concrete mixer market and improved aftermarket parts & service sales, offset in part by lower refuse collection vehicle volume.

In the second quarter of fiscal 2013, commercial segment operating income increased 97.8 percent to $7.6 million, or 4.1 percent of sales, compared to $3.9 million, or 2.3 percent of sales, in the prior year quarter. The increase in operating income was primarily a result of higher sales volume.

**Corporate** – Corporate operating expenses increased $10.9 million to $37.9 million for the second quarter of fiscal 2013, compared to the prior year quarter. The increase in corporate expenses in the second quarter of fiscal 2013 compared to the second quarter of fiscal 2012 was related to higher share-based compensation expense, largely as a result of the impact of an increase in the Company's share price on variable share-based compensation, as well as higher information technology spending. Results for the second quarter of the prior year also included pre-tax costs of $3.6 million incurred in connection with a proxy contest.

**Interest Expense Net of Interest Income** – Interest expense net of interest income decreased $2.7 million to $14.7 million in the second quarter of fiscal 2013 compared to the prior year quarter as a result of lower interest rates, lower average debt outstanding and the recognition of interest on a note receivable from a customer. In the second quarter of fiscal 2013, the Company recognized $1.3 million of interest income upon receipt of payment on the note receivable.

**Provision for Income Taxes** — The Company recorded income tax expense of $34.8 million in the second quarter of fiscal 2013, or 29.0 percent of pre-tax income, compared to 35.8 percent of pre-tax income in the prior year quarter. In the second quarter of fiscal 2013, the Company recorded a $4.6 million benefit related to the reinstatement of the U.S. research & development income tax credit and reported lower foreign income taxes.

## Six-month Results

The Company reported net sales for the first six months of fiscal 2013 of $3.73 billion and net income of $131.4 million, or $1.46 per share. This compares with net sales of $3.93 billion and net income of $84.2 million, or $0.92 per share, in the first six months of the prior year. Adjusted results for the first six months of fiscal 2013 were $141.8 [1] million, or $1.57 [1] per share, as compared to $80.8 [1] million, or $0.89 [1] per share, in the first six months of fiscal 2012. The increase in adjusted results in the first six months of fiscal 2013 was largely attributable to higher sales and improved performance in the Company's access equipment and fire & emergency segments, offset in part by higher share-based compensation expense in the first six months of fiscal 2013, in part as a result of the impact of an increase in the Company's share price on variable share-based compensation.

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## Fiscal 2013 Expectations

As a result of its second fiscal quarter results and the Company's outlook for the remainder of the fiscal year, the Company is increasing its outlook range for full-year fiscal 2013 adjusted earnings from continuing operations to $2.90 - $3.15 [1] per share. This estimate excludes $0.11 per share net of tax costs incurred in the first quarter of fiscal 2013 related to the tender offer for the Company's common stock and threatened proxy contest.

## Conference Call

The Company will comment on its fiscal 2013 second quarter earnings and its full-year fiscal 2013 outlook during a conference call at 9:00 a.m. EDT this morning. Slides for the call will be available on the Company's website beginning at 7:00 a.m. EDT this morning. The call will be webcast simultaneously over the Internet. To access the webcast, listeners can go to www.oshkoshcorporation.com at least 15 minutes prior to the event and follow instructions for listening to the webcast. An audio replay of the call and related question and answer session will be available for 12 months at this website.

## Forward-Looking Statements

This press release 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 press release, words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "project" 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, commercial and fire & emergency markets, especially in the current environment where there are conflicting signs regarding the global economic outlook and the ability of the U.S. government to resolve budgetary and debt issues; the expected level and timing of the DoD procurement of products and services and funding thereof; risks related to reductions in government expenditures in light of U.S. defense budget pressures, sequestration and an uncertain DoD tactical wheeled vehicle strategy, including the Company's ability to successfully manage the cost reductions required as a result of the significant projected decrease in sales levels in the defense segment; the Company's ability to comply with laws and regulations applicable to U.S. government contractors; the Company's ability to increase prices to raise margins or offset higher input costs; increasing commodity and other raw material costs, particularly in a sustained economic recovery; risks related to facilities consolidation and alignment, including the amounts of related costs and charges and that anticipated cost savings may not be achieved; the duration of the ongoing global economic weakness, which could lead to additional impairment charges related to many of the Company's intangible assets and/or a slower recovery in the Company's cyclical businesses than Company or equity market expectations; 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 related to production or

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shipment delays arising from quality or production issues; risks associated with international operations and sales, including foreign currency fluctuations and compliance with the Foreign Corrupt Practices Act; 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 press release. The Company assumes no obligation, and disclaims any obligation, to update information contained in this press release. Investors should be aware that the Company may not update such information until the Company's next quarterly earnings conference call, if at all.

**About Oshkosh Corporation**

Oshkosh Corporation is a leading designer, manufacturer and marketer of a broad range of specialty access equipment, commercial, fire & emergency and military vehicles and vehicle bodies. Oshkosh Corporation manufactures, distributes and services products under the brands of Oshkosh ®, JLG ®, Pierce ®, McNeilus ®, Jerr-Dan ®, Frontline ™, CON-E-CO ®, London ® and IMT ®. Oshkosh products are valued worldwide in businesses where high quality, superior performance, rugged reliability and long-term value are paramount. For more information, log on to www.oshkoshcorporation.com .

®, ™ All brand names referred to in this news release are trademarks of Oshkosh Corporation or its subsidiary companies.

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**OSHKOSH CORPORATION**
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**
**(Unaudited; in millions)**

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| Net sales | $ 1,984.4 | $ 2,062.3 | $ 3,734.2 | $ 3,930.8 |
| Cost of sales | 1,681.0 | 1,818.2 | 3,184.8 | 3,461.8 |
| Gross income | 303.4 | 244.1 | 549.4 | 469.0 |
| Operating expenses: | | | | |
| Selling, general and administrative | 154.3 | 145.4 | 305.6 | 276.5 |
| Amortization of purchased intangibles | 14.5 | 14.6 | 28.9 | 29.3 |
| Total operating expenses | 168.8 | 160.0 | 334.5 | 305.8 |
| Operating income | 134.6 | 84.1 | 214.9 | 163.2 |
| Other income (expense): | | | | |
| Interest expense | (16.4) | (18.0) | (32.8) | (38.5) |
| Interest income | 1.7 | 0.6 | 4.2 | 1.2 |
| Miscellaneous, net | 0.1 | 1.3 | 0.4 | (4.3) |
| Income from continuing operations before income taxes and equity in earnings of unconsolidated affiliates | 120.0 | 68.0 | 186.7 | 121.6 |
| Provision for income taxes | 34.8 | 24.4 | 55.8 | 36.8 |
| Income from continuing operations before equity in earnings of unconsolidated affiliates | 85.2 | 43.6 | 130.9 | 84.8 |
| Equity in earnings of unconsolidated affiliates | 0.7 | - | 1.3 | 0.7 |
| Income from continuing operations, net of tax | 85.9 | 43.6 | 132.2 | 85.5 |
| Income (loss) from discontinued operations, net of tax | 0.6 | (5.6) | 0.8 | (8.2) |
| Net income | 86.5 | 38.0 | 133.0 | 77.3 |
| Net income attributable to noncontrolling interest | - | (0.7) | - | (1.1) |
| Net income attributable to Oshkosh Corporation | $ 86.5 | $ 37.3 | $ 133.0 | $ 76.2 |
| Amounts available to Oshkosh Corporation common shareholders, net of tax: | | | | |
| Income from continuing operations | $ 85.9 | $ 42.9 | $ 132.2 | $ 84.4 |
| Income allocated to participating securities | (0.5) | (0.1) | (0.8) | (0.2) |
| Income available to Oshkosh Corporation common shareholders | $ 85.4 | $ 42.8 | $ 131.4 | $ 84.2 |
| Income (loss) from discontinued operations | $ 0.6 | $ (5.6) | $ 0.8 | $ (8.2) |

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**OSHKOSH CORPORATION**
**EARNINGS (LOSS) PER SHARE**
**(Unaudited)**

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| **Earnings (loss) per share attributable to Oshkosh Corporation common shareholders-basic:** | | | | |
| Continuing operations | $ 0.98 | $ 0.47 | $ 1.48 | $ 0.92 |
| Discontinued operations | 0.01 | (0.06) | 0.01 | (0.09) |
| | $ 0.99 | $ 0.41 | $ 1.49 | $ 0.83 |
| **Earnings (loss) per share attributable to Oshkosh Corporation common shareholders-diluted:** | | | | |
| Continuing operations | $ 0.96 | $ 0.47 | $ 1.46 | $ 0.92 |
| Discontinued operations | 0.01 | (0.06) | 0.01 | (0.09) |
| | $ 0.97 | $ 0.41 | $ 1.47 | $ 0.83 |
| Basic weighted average shares outstanding | 87,112,173 | 91,359,575 | 88,706,133 | 91,272,488 |
| Effect of dilutive stock options and other equity-based compensation awards | 1,454,176 | 583,987 | 1,315,578 | 557,472 |
| Diluted weighted average shares outstanding | 88,566,349 | 91,943,562 | 90,021,711 | 91,829,960 |

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**OSHKOSH CORPORATION**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
**(Unaudited; in millions)**

| | March 31, 2013 | September 30, 2012 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 452.3 | $ 540.7 |
| Receivables, net | 970.3 | 1,018.6 |
| Inventories, net | 1,060.7 | 937.5 |
| Deferred income taxes | 66.7 | 69.9 |
| Prepaid income taxes | 77.9 | 98.0 |
| Other current assets | 31.1 | 29.8 |
| Total current assets | 2,659.0 | 2,694.5 |
| Investment in unconsolidated affiliates | 20.1 | 18.8 |
| Property, plant and equipment: | | |
| Property, plant and equipment | 864.9 | 856.5 |
| Accumulated depreciation | (507.7) | (486.6) |
| Property, plant and equipment, net | 357.2 | 369.9 |
| Goodwill | 1,033.2 | 1,033.8 |
| Purchased intangible assets, net | 750.2 | 775.4 |
| Other long-term assets | 54.9 | 55.4 |
| Total assets | $ 4,874.6 | $ 4,947.8 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| Current liabilities: | | |
| Revolving credit facility and current maturities of long-term debt | $ 32.5 | $ - |
| Accounts payable | 659.5 | 683.3 |
| Customer advances | 529.1 | 510.4 |
| Payroll-related obligations | 109.2 | 130.1 |
| Accrued warranty | 96.9 | 95.0 |
| Deferred revenue | 28.0 | 113.0 |
| Other current liabilities | 159.4 | 172.7 |
| Total current liabilities | 1,614.6 | 1,704.5 |
| Long-term debt, less current maturities | 922.5 | 955.0 |
| Deferred income taxes | 115.3 | 129.6 |
| Other long-term liabilities | 334.5 | 305.2 |
| Commitments and contingencies | | |
| Shareholders' equity | 1,887.7 | 1,853.5 |
| Total liabilities and shareholders' equity | $ 4,874.6 | $ 4,947.8 |

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**OSHKOSH CORPORATION**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(Unaudited; in millions)**

| | Six Months Ended March 31, | |
|---|---|---|
| | 2013 | 2012 |
| **Operating activities:** | | |
| Net income | $ 133.0 | $ 77.3 |
| Depreciation and amortization | 63.3 | 64.3 |
| Deferred income taxes | (13.8) | (11.8) |
| Other non-cash adjustments | 4.1 | 4.4 |
| Changes in operating assets and liabilities | (142.2) | (87.3) |
| Net cash provided by operating activities | 44.4 | 46.9 |
| **Investing activities:** | | |
| Additions to property, plant and equipment | (15.4) | (24.1) |
| Additions to equipment held for rental | (10.1) | (3.1) |
| Proceeds from sale of property, plant and equipment | 0.1 | 6.1 |
| Proceeds from sale of equipment held for rental | 3.9 | 2.4 |
| Other investing activities | (3.4) | (0.7) |
| Net cash used by investing activities | (24.9) | (19.4) |
| **Financing activities:** | | |
| Repayment of long-term debt | - | (72.5) |
| Repurchases of common stock | (125.1) | - |
| Proceeds from exercise of stock options | 15.7 | 2.9 |
| Other financing activities | 0.8 | (0.2) |
| Net cash used by financing activities | (108.6) | (69.8) |
| Effect of exchange rate changes on cash | 0.7 | 2.2 |
| Decrease in cash and cash equivalents | (88.4) | (40.1) |
| Cash and cash equivalents at beginning of period | 540.7 | 428.5 |
| Cash and cash equivalents at end of period | $ 452.3 | $ 388.4 |

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**OSHKOSH CORPORATION**
**SEGMENT INFORMATION**
**(Unaudited; in millions)**

| | Three Months Ended March 31, 2013 | | | Three Months Ended March 31, 2012 | | |
|---|---|---|---|---|---|---|
| | External Customers | Inter-segment | Net Sales | External Customers | Inter-segment | Net Sales |
| **Access equipment** | | | | | | |
| Aerial work platforms | $ 379.3 | $ - | $ 379.3 | $ 388.3 | $ - | $ 388.3 |
| Telehandlers | 307.4 | - | 307.4 | 239.9 | - | 239.9 |
| Other | 130.7 | - | 130.7 | 131.2 | 1.0 | 132.2 |
| Total access equipment | 817.4 | - | 817.4 | 759.4 | 1.0 | 760.4 |
| **Defense** | 826.7 | 0.9 | 827.6 | 986.5 | 0.8 | 987.3 |
| **Fire & emergency** | 161.8 | 12.2 | 174.0 | 157.7 | 10.8 | 168.5 |
| **Commercial** | | | | | | |
| Concrete placement | 92.2 | - | 92.2 | 52.7 | - | 52.7 |
| Refuse collection | 61.3 | - | 61.3 | 79.7 | - | 79.7 |
| Other | 25.0 | 7.0 | 32.0 | 26.3 | 9.0 | 35.3 |
| Total commercial | 178.5 | 7.0 | 185.5 | 158.7 | 9.0 | 167.7 |
| Intersegment eliminations | - | (20.1) | (20.1) | - | (21.6) | (21.6) |
| Consolidated sales | $ 1,984.4 | $ - | $ 1,984.4 | $ 2,062.3 | $ - | $ 2,062.3 |

| | Six Months Ended March 31, 2013 | | | Six Months Ended March 31, 2012 | | |
|---|---|---|---|---|---|---|
| | External Customers | Inter-segment | Net Sales | External Customers | Inter-segment | Net Sales |
| **Access equipment** | | | | | | |
| Aerial work platforms | $ 631.5 | $ - | $ 631.5 | $ 633.6 | $ - | $ 633.6 |
| Telehandlers | 514.3 | - | 514.3 | 382.6 | - | 382.6 |
| Other | 252.8 | 0.1 | 252.9 | 248.3 | 123.6 | 371.9 |
| Total access equipment | 1,398.6 | 0.1 | 1,398.7 | 1,264.5 | 123.6 | 1,388.1 |
| **Defense** | 1,654.5 | 1.8 | 1,656.3 | 2,036.7 | 1.6 | 2,038.3 |
| **Fire & emergency** | 333.2 | 22.9 | 356.1 | 305.9 | 15.5 | 321.4 |
| **Commercial** | | | | | | |
| Concrete placement | 155.5 | - | 155.5 | 99.4 | - | 99.4 |
| Refuse collection | 142.1 | - | 142.1 | 175.0 | - | 175.0 |
| Other | 50.3 | 14.9 | 65.2 | 49.3 | 15.6 | 64.9 |
| Total commercial | 347.9 | 14.9 | 362.8 | 323.7 | 15.6 | 339.3 |
| Intersegment eliminations | - | (39.7) | (39.7) | - | (156.3) | (156.3) |
| Consolidated sales | $ 3,734.2 | $ - | $ 3,734.2 | $ 3,930.8 | $ - | $ 3,930.8 |

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| **Operating income (loss):** | | | | |
| Access equipment | $ 95.0 | $ 68.4 | $ 143.9 | $ 81.5 |
| Defense | 67.0 | 41.9 | 127.9 | 134.3 |
| Fire & emergency | 2.7 | (3.0) | 8.1 | (9.3) |
| Commercial | 7.6 | 3.9 | 15.6 | 10.8 |
| Corporate | (37.9) | (27.0) | (80.6) | (54.1) |
| Intersegment eliminations | 0.2 | (0.1) | - | - |
| Consolidated | $ 134.6 | $ 84.1 | $ 214.9 | $ 163.2 |

| | March 31, | |
|---|---|---|
| | 2013 | 2012 |
| **Period-end backlog:** | | |
| Access equipment | $ 778.7 | $ 941.5 |
| Defense | 2,580.3 | 3,931.5 |
| Fire & emergency | 500.6 | 565.8 |
| Commercial | 170.8 | 137.3 |
| Consolidated | $ 4,030.4 | $ 5,576.1 |

## Non-GAAP Financial Measures

The Company reports its financial results and estimates in accordance with generally accepted accounting principles (GAAP) in the United States of America. The Company is presenting various operating results and estimated earnings, both on a reported basis and on a basis excluding items that affect comparability of results. When the Company uses operating results and estimates, excluding certain items as described below, they are considered non-GAAP financial measures. The Company believes excluding the impact of these items is useful to investors in comparing the Company's performance to prior period results. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's results and estimates prepared in accordance with GAAP. The table below presents a reconciliation of the Company's presented non-GAAP measures to the most directly comparable GAAP measures:

| | Six Months Ended March 31, | |
|---|---|---|
| | **2013** | **2012** |
| **Non-GAAP income from continuing operations attributable to Oshkosh Corporation, net of tax** | **$ 141.8** | **$ 80.8** |
| **Tender offer and proxy contest costs, net of tax** | **(10.4)** | **(4.1)** |
| **Discrete tax benefits** | **-** | **7.5** |
| **GAAP income from continuing operations attributable to Oshkosh Corporation, net of tax** | **$ 131.4** | **$ 84.2** |
| | | |
| **Non-GAAP earnings per share attributable to Oshkosh Corporation from continuing operations-diluted** | **$ 1.57** | **$ 0.89** |
| **Tender offer and proxy contest costs, net of tax** | **(0.11)** | **(0.05)** |
| **Discrete tax benefits** | **-** | **0.08** |
| **GAAP earnings per share attributable to Oshkosh Corporation from continuing operations-diluted** | **$ 1.46** | **$ 0.92** |

| | Fiscal 2013 Expectations | |
|---|---|---|
| | **Low** | **High** |
| **Non-GAAP earnings per share attributable to Oshkosh Corporation from continuing operations-diluted** | **$ 2.90** | **$ 3.15** |
| **Tender offer and proxy contest costs, net of tax** | **(0.11)** | **(0.11)** |
| **GAAP earnings per share attributable to Oshkosh Corporation from continuing operations-diluted** | **$ 2.79** | **$ 3.04** |

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