UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2022

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 1-31371

Oshkosh Corporation
(Exact name of registrant as specified in its charter)

Wisconsin (State or other jurisdiction of incorporation or organization)	39-0520270 (I.R.S. Employer Identification No.)
1917 Four Wheel Drive Oshkosh, Wisconsin (Address of principal executive offices)	54902 (Zip Code)

(920) 502-3400
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock $0.01 par value	OSK	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

As of April 20, 2022, 65,794,923 shares of the registrant's Common Stock were outstanding.

OSHKOSH CORPORATION

FORM 10-Q INDEX

PART I- FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OSHKOSH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Dollars in millions, except per share amounts; unaudited)

	Three Months Ended March 31,	
	2022	2021
Net sales	$ 1,945.7	$ 1,889.0
Cost of sales	1,744.4	1,573.9
Gross income	201.3	315.1
Operating expenses:		
Selling, general and administrative	169.2	172.0
Amortization of purchased intangibles	2.8	2.3
Total operating expenses	172.0	174.3
Operating income	29.3	140.8
Other income (expense):		
Interest expense	(12.6)	(11.8)
Interest income	1.0	0.6
Miscellaneous, net	1.1	3.1
Income before income taxes and earnings (losses) of unconsolidated affiliates	18.8	132.7
Provision for income taxes	20.2	33.2
Income (loss) before earnings (losses) of unconsolidated affiliates	(1.4)	99.5
Equity in earnings (losses) of unconsolidated affiliates	(0.7)	0.1
Net income (loss)	$ (2.1)	$ 99.6
Earnings (loss) per share:		
Basic	$ (0.03)	$ 1.45
Diluted	(0.03)	1.44
Cash dividends declared per share on Common Stock	$ 0.37	$ 0.33

The accompanying notes are an integral part of these financial statements

OSHKOSH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in millions; unaudited)

	Three Months Ended March 31,	
	2022	2021
Net income (loss)	$ (2.1)	$ 99.6
Other comprehensive income (loss), net of tax:		
Employee pension and postretirement benefits	0.4	1.2
Currency translation adjustments	(6.5)	(20.0)
Change in fair value of derivative instruments	0.8	0.4
Total other comprehensive income (loss), net of tax	(5.3)	(18.4)
Comprehensive income (loss)	$ (7.4)	$ 81.2

The accompanying notes are an integral part of these financial statements

OSHKOSH CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in millions, except share and per share amounts; unaudited)

	March 31, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 944.5	$ 995.7
Receivables, net	987.4	973.4
Unbilled receivables, net	514.3	440.8
Inventories, net	1,527.9	1,382.7
Income taxes receivable	255.2	250.3
Other current assets	64.5	71.7
Total current assets	4,293.8	4,114.6
Property, plant and equipment, net	603.7	593.2
Goodwill	1,044.9	1,049.0
Purchased intangible assets, net	464.9	464.0
Deferred income taxes	130.9	111.5
Other long-term assets	436.3	389.5
Total assets	$ 6,974.5	$ 6,721.8
Liabilities and Shareholders' Equity		
Current liabilities:		
Revolving credit facilities	$ —	$ —
Accounts payable	982.3	747.4
Customer advances	755.6	690.9
Payroll-related obligations	138.5	118.4
Income taxes payable	221.1	222.1
Other current liabilities	348.8	364.2
Total current liabilities	2,446.3	2,143.0
Long-term debt, less current maturities	594.4	819.0
Long-term customer advances	455.2	207.0
Other long-term liabilities	510.6	476.4
Commitments and contingencies		
Shareholders' equity:		
Preferred Stock ($0.01 par value; 2,000,000 shares authorized; none issued and outstanding)	—	—
Common Stock ($0.01 par value; 300,000,000 shares authorized; 75,101,465 shares issued)	0.7	0.7
Additional paid-in capital	798.2	792.4
Retained earnings	3,084.0	3,110.6
Accumulated other comprehensive loss	(133.9)	(128.6)
Common Stock in treasury, at cost (9,001,160 and 8,289,347 shares, respectively)	(781.0)	(698.7)
Total shareholders' equity	2,968.0	3,076.4
Total liabilities and shareholders' equity	$ 6,974.5	$ 6,721.8

The accompanying notes are an integral part of these financial statements

OSHKOSH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Dollars in millions, except per share amounts; unaudited)

	Three Months Ended March 31, 2022					
	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Common Stock in Treasury at Cost	Total
Balance at December 31, 2021	$ 0.7	$ 792.4	$ 3,110.6	$ (128.6)	$ (698.7)	$ 3,076.4
Net loss	—	—	(2.1)	—	—	(2.1)
Employee pension and postretirement benefits, net of tax of $0.1	—	—	—	0.4	—	0.4
Currency translation adjustments	—	—	—	(6.5)	—	(6.5)
Cash dividends ($0.37 per share)	—	—	(24.5)	—	—	(24.5)
Repurchases of Common Stock	—	—	—	—	(85.0)	(85.0)
Exercise of stock options	—	(0.2)	—	—	2.1	1.9
Stock-based compensation expense	—	6.8	—	—	—	6.8
Payment of stock-based restricted and performance shares	—	(0.5)	—	—	0.5	—
Shares tendered for taxes on stock-based compensation	—	—	—	—	(0.4)	(0.4)
Other	—	(0.3)	—	0.8	0.5	1.0
Balance at March 31, 2022	$ 0.7	$ 798.2	$ 3,084.0	$ (133.9)	$ (781.0)	$ 2,968.0

	Three Months Ended March 31, 2021					
	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Common Stock in Treasury at Cost	Total
Balance at December 31, 2020	$ 0.7	$ 791.4	$ 2,793.5	$ (165.5)	$ (487.5)	$ 2,932.6
Net income	—	—	99.6	—	—	99.6
Employee pension and postretirement benefits, net of tax of $0.2	—	—	—	1.2	—	1.2
Currency translation adjustments	—	—	—	(20.0)	—	(20.0)
Cash dividends ($0.33 per share)	—	—	(22.7)	—	—	(22.7)
Exercise of stock options	—	(0.6)	—	—	18.8	18.2
Stock-based compensation expense	—	8.3	—	—	—	8.3
Payment of stock-based restricted and performance shares	—	(0.8)	—	—	0.8	—
Other	—	—	0.6	0.4	—	1.0
Balance at March 31, 2021	$ 0.7	$ 798.3	$ 2,871.0	$ (183.9)	$ (467.9)	$ 3,018.2

The accompanying notes are an integral part of these financial statements

OSHKOSH CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in millions; unaudited)

	Three Months Ended March 31,	
	2022	2021
Operating activities:		
Net income (loss)	$ (2.1)	$ 99.6
Depreciation and amortization	26.4	21.7
Stock-based compensation expense	6.8	8.3
Deferred income taxes	1.0	3.8
Gain on sale of assets	(1.0)	(2.1)
Foreign currency transaction gains	(1.5)	(1.2)
Other non-cash adjustments	(0.6)	(0.2)
Changes in operating assets and liabilities	299.9	196.9
Net cash provided by operating activities	328.9	326.8
Investing activities:		
Additions to property, plant and equipment	(26.1)	(16.7)
Additions to equipment held for rental	(1.9)	(2.2)
Acquisition of business, net of cash acquired	—	(112.1)
Proceeds from sale of equipment held for rental	3.2	5.1
Other investing activities	(15.3)	3.6
Net cash used by investing activities	(40.1)	(122.3)
Financing activities:		
Repayments of debt (original maturities greater than three months)	(225.0)	—
Debt issuance costs	(2.5)	—
Repurchases of Common Stock	(85.4)	—
Dividends paid	(24.5)	(22.7)
Proceeds from exercise of stock options	1.9	18.2
Other financing activities	(2.4)	(1.2)
Net cash used by financing activities	(337.9)	(5.7)
Effect of exchange rate changes on cash	(2.1)	(4.2)
Increase (decrease) in cash and cash equivalents	(51.2)	194.6
Cash and cash equivalents at beginning of period	995.7	898.6
Cash and cash equivalents at end of period	$ 944.5	$ 1,093.2
Supplemental disclosures:		
Cash paid for interest	$ 10.1	$ 11.6
Cash paid for income taxes	5.3	83.9
Proceeds from income tax refunds	0.3	—
Cash paid for operating lease liabilities	11.5	13.8
Operating right-of-use assets obtained	2.8	7.9

The accompanying notes are an integral part of these financial statements

OSHKOSH CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation

In October 2021, Oshkosh Corporation and its subsidiaries (the Company) changed its fiscal year from a year beginning on October 1 and ending September 30 to a year beginning on January 1 and ending December 31. The Company's current fiscal year runs from January 1, 2022 through December 31, 2022 (fiscal 2022).

In the opinion of management, the accompanying unaudited Condensed Consolidated Financial Statements contain all adjustments (which include normal recurring adjustments, unless otherwise noted) necessary to present fairly the financial position, results of operations and cash flows for the periods presented. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP) have been condensed or omitted pursuant to the rules and regulations of the U.S. Securities and Exchange Commission. These Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements and notes thereto included in the Annual Report on Form 10-K of Oshkosh Corporation for the year ended September 30, 2021. Results for the three months ended March 31, 2022 are not necessarily indicative of results for any other interim period or for fiscal 2022. Certain reclassifications have been made to the prior period financial statements to conform to the presentation as of and for the three months ended March 31, 2022.

2. Revenue Recognition

The Defense segment utilizes the cost-to-cost method of percentage-of-completion to recognize revenue on its performance obligations that are satisfied over time because it best depicts the transfer of control to the customer. Under the cost-to-cost method of percentage-of-completion, the Defense segment measures progress based on the ratio of costs incurred to date to total estimated costs for the performance obligation. The Company recognizes changes in estimated sales or costs and the resulting profit or loss on a cumulative basis. Contract adjustments represent the cumulative effect of the changes on prior periods. If a loss is expected on a performance obligation, the complete estimated loss is recorded in the period in which the loss is identified.

There is significant judgment involved in estimating sales and costs within the Defense segment. Each contract is evaluated at contract inception to identify risks and estimate revenue and costs. In performing this evaluation, the Defense segment considers risks of contract performance such as technical requirements, schedule, duration and key contract dependencies. These considerations are then factored into the Company's estimated revenue and costs. Preliminary contract estimates are subject to change throughout the duration of the contract as additional information becomes available that impacts risks and estimated revenue and costs. In addition, as contract modifications (e.g., new orders) are received, the additional units are factored into the overall contract estimate of costs and transaction price. Contract adjustments impacted the Company's results as follows (in millions, except for per share amounts):

	Three Months Ended March 31,	
	2022	2021
Net sales	$ (7.9)	$ (3.1)
Operating income	(10.6)	(3.6)
Net income	(8.1)	(2.8)
Diluted earnings per share	$ (0.12)	$ (0.04)

Disaggregation of Revenue

Consolidated net sales disaggregated by segment and timing of revenue recognition are as follows (in millions):

	Three Months Ended March 31, 2022					
	Access Equipment	Defense	Fire & Emergency	Commercial	Corporate and Intersegment Eliminations	Total
Point in time	$ 869.9	$ 2.1	$ 282.6	$ 154.3	$ (2.3)	$ 1,306.6
Over time	13.2	533.5	5.3	87.1	—	639.1
	$ 883.1	$ 535.6	$ 287.9	$ 241.4	$ (2.3)	$ 1,945.7

	Three Months Ended March 31, 2021					
	Access Equipment	Defense	Fire & Emergency	Commercial	Corporate and Intersegment Eliminations	Total
Point in time	$ 721.1	$ 10.3	$ 307.6	$ 126.5	$ (7.0)	$ 1,158.5
Over time	17.1	604.4	4.9	103.5	0.6	730.5
	$ 738.2	$ 614.7	$ 312.5	$ 230.0	$ (6.4)	$ 1,889.0

See Note 18 of the Notes to Condensed Consolidated Financial Statements for further disaggregated sales information.

Contract Assets and Contract Liabilities

The Company is generally entitled to bill its customers upon satisfaction of its performance obligations, except for its long-term contracts in the Defense segment which typically allow for billing upon acceptance of the finished goods, payments received from customers in advance of performance and extended warranties that are billed in advance of the warranty coverage period. Customer payment is usually received shortly after billing and payment terms generally do not exceed one year. See Note 7 of the Notes to Condensed Consolidated Financial Statements for additional information on the Company's receivables balances.

With the exception of the Fire & Emergency segment, the Company's contracts typically do not contain a significant financing component. In the Fire & Emergency segment, customers earn interest on customer advances at a rate determined in a separate financing transaction between the Fire & Emergency segment and the customer at contract inception. Interest charges of $5.0 million and $4.5 million were recorded in "Interest expense" in the Condensed Consolidated Statements of Income for the three months ended March 31, 2022 and 2021, respectively, for amounts attributable to customer advances.

The timing of billing does not always match the timing of revenue recognition. In instances where a customer pays consideration in advance or when the Company is entitled to bill a customer in advance of recognizing the related revenue, the Company records a contract liability. The Company reduces contract liabilities when the Company transfers control of the promised goods and services. Contract liabilities consisted of the following (in millions):

	March 31, 2022	December 31, 2021
Customer advances	$ 755.6	$ 690.9
Other current liabilities	74.8	81.9
Long-term customer advances	455.2	207.0
Other long-term liabilities	58.6	54.9
Total contract liabilities	$ 1,344.2	$ 1,034.7

	Three Months Ended March 31,	
	2022	2021
Beginning liabilities recognized in revenue	$ 118.3	$ 129.8

In instances where the Company recognizes revenue prior to having an unconditional right to payment, the Company records a contract asset. The Company reduces contract assets when the Company has an unconditional right to payment. The Company periodically assesses its contract assets for impairment. Contract assets and liabilities are determined on a net basis for each contract. The Company did not record any impairment losses on contract assets during the three months ended March 31, 2022 or 2021.

The Defense segment recognizes an asset for costs incurred to fulfill an existing contract or highly-probable anticipated contract if such costs generate or enhance resources that will be used in satisfying performance obligations in the future and the costs are expected to be recovered. Under the Next Generation Delivery Vehicles (NGDV) contract with the United States Postal Service (USPS), the Company has determined that it does not transfer control of any goods or services to the USPS until the construction of the production vehicles. Costs required to fulfill the NGDV production contract incurred prior to production of the vehicles are capitalized to the extent that they generate or enhance resources used in the production of NGDVs. These costs will be amortized over the anticipated production volume of the NGDV contact. Deferred contract costs are included in "Other long-term assets" within the Company's Condensed Consolidated Balance Sheets. Deferred contract costs, the majority of which related to the NGDV contract, consisted of the following (in millions):

	March 31, 2022	December 31, 2021
Costs for anticipated contracts	$ 5.3	$ 4.9
Engineering costs	93.6	60.0
Factory setup costs	6.3	4.1
Supplier-owned tooling	20.3	4.2
Deferred contract related costs	$ 125.5	$ 73.2

The Company offers a variety of service-type warranties, including optionally priced extended warranty programs. Outstanding balances related to service-type warranties are included within contract liabilities. Revenue related to service-type warranties is deferred until after the expiration of the standard warranty period. The revenue is then recognized in income over the term of the extended warranty period in proportion to the costs that are expected to be incurred. Changes in the Company's service-type warranties were as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Balance at beginning of period	$ 66.9	$ 63.0
Deferred revenue for new service warranties	7.2	6.5
Amortization of deferred revenue	(4.8)	(6.4)
Foreign currency translation	(0.2)	(0.2)
Balance at end of period	$ 69.1	$ 62.9

Classification of service-type warranties in the Condensed Consolidated Balance Sheets consisted of the following (in millions):

	March 31, 2022	December 31, 2021
Other current liabilities	$ 22.9	$ 22.3
Other long-term liabilities	46.2	44.6
	$ 69.1	$ 66.9

Remaining Performance Obligations

As of March 31, 2022, the Company had unsatisfied performance obligations for contracts with an original duration greater than one year totaling $9.15 billion, of which $3.08 billion is expected to be satisfied and revenue recognized in the remaining nine months of fiscal 2022, $2.36 billion is expected to be recognized in fiscal 2023 and $3.70 billion is expected to be satisfied and revenue recognized beyond fiscal 2023.

3. Stock-Based Compensation

In February 2017, the Company's shareholders approved the 2017 Incentive Stock and Awards Plan (the "2017 Stock Plan"). The 2017 Stock Plan replaced the 2009 Incentive Stock and Awards Plan (as amended, the "2009 Stock Plan"). While no new awards will be granted under the 2009 Stock Plan, awards previously made under that plan that were outstanding as of the approval date of the 2017 Stock Plan will remain outstanding and continue to be governed by the provisions of that plan. At March 31, 2022, the Company had reserved 3,607,006 shares of Common Stock available for issuance to provide for the exercise of outstanding stock options and the issuance of Common Stock under incentive compensation awards, including awards issued prior to the effective date of the 2017 Stock Plan.

The Company recognizes stock-based compensation expense over the requisite service period for vesting of an award, or to an employee's eligible retirement date, if earlier and applicable. Total stock-based compensation expense, including cash-based liability awards, for the three months ended March 31, 2022 was $6.5 million ($5.5 million net of tax). Total stock-based compensation expense, including cash-based liability awards, for the three months ended March 31, 2021 was $9.9 million ($8.3 million net of tax).

4. Employee Benefit Plans

Components of net periodic pension benefit cost were as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Components of net periodic benefit cost		
Service cost	$ 2.6	$ 2.9
Interest cost	4.3	4.1
Expected return on plan assets	(5.2)	(5.0)
Amortization of prior service cost (benefit)	0.5	0.5
Amortization of net actuarial loss (gain)	0.2	1.2
Expenses paid	0.8	0.8
Net periodic benefit cost	$ 3.2	$ 4.5

Components of net periodic other post-employment benefit cost were as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Components of net periodic benefit cost		
Service cost	$ 0.6	$ 0.5
Interest cost	0.3	0.3
Amortization of prior service cost (benefit)	(0.3)	(0.3)
Amortization of net actuarial loss (gain)	0.1	—
Net periodic benefit cost	$ 0.7	$ 0.5

Components of net periodic benefit cost other than "Service cost" and "Expenses paid" are included in "Miscellaneous, net" in the Condensed Consolidated Statements of Income.

5. Income Taxes

The Company recorded income tax expense of $20.2 million, or 107.4% of pre-tax income, for the three months ended March 31, 2022, compared to $33.2 million, or 25.0% of pre-tax income, for the three months ended March 31, 2021. Results for the three months ended March 31, 2022 were unfavorably impacted by $15.4 million of net discrete charges, including a charge of $18.1 million related to taxes on income generated in prior periods as the Company revised its interpretation of certain foreign anti-hybrid tax legislation based upon recent comments from the corresponding taxing authorities and a benefit of $3.8 million for the release of a foreign tax credit valuation allowance in response to the issuance by the U.S. Treasury Department of final foreign tax credit regulations. Results for the three months ended March 31, 2021 were unfavorably impacted by $1.4 million of net discrete charges, including a $0.8 million charge related to state audit settlements.

The Company's liability for gross unrecognized tax benefits, excluding related interest and penalties, was $82.2 million and $41.5 million as of March 31, 2022 and December 31, 2021, respectively. Included in the Company's March 31, 2022 liability for gross unrecognized tax benefits is an $18.7 million reserve related to certain foreign anti-hybrid legislation and a $22.3 million U.S. federal reserve for a temporary deferred position. As of March 31, 2022, net unrecognized tax benefits, excluding interest and penalties, of $43.2 million would affect the Company's net income if recognized.

The Company recognizes accrued interest and penalties, if any, related to unrecognized tax benefits in the "Provision for income taxes" in the Condensed Consolidated Statements of Income. During the three months ended March 31, 2022 and 2021, the Company recognized expense of $0.6 million and $0.5 million, respectively, related to interest and penalties. At March 31, 2022, the Company had accruals for the payment of interest and penalties of $4.0 million. During the next twelve months, it is reasonably possible that federal, state and foreign tax audit resolutions could reduce net unrecognized tax benefits by approximately $2.3 million because the Company's tax positions are sustained on audit, the Company agrees to their disallowance or the statutes of limitations close.

6. Earnings Per Share

The reconciliation of basic weighted-average shares outstanding to diluted weighted-average shares outstanding was as follows:

	Three Months Ended March 31,	
	2022	2021
Basic weighted-average common shares outstanding	66,394,041	68,513,419
Dilutive stock options and other equity-based compensation awards	—	775,202
Diluted weighted-average common shares outstanding	66,394,041	69,288,621

Shares for stock-based compensation not included in the computation of diluted earnings per share attributable to common shareholders because they would have been anti-dilutive were as follows:

	Three Months Ended March 31,	
	2022	2021
Shares for stock-based compensation	522,003	—

7. Receivables

Receivables consisted of the following (in millions):

	March 31, 2022	December 31, 2021
Trade receivables- U.S. government	$ 102.4	$ 140.7
Trade receivables- other	848.7	797.5
Finance receivables	7.5	8.0
Other receivables	43.2	40.0
	1,001.8	986.2
Less allowance for doubtful accounts	(5.9)	(4.2)
	$ 995.9	$ 982.0

Classification of receivables in the Condensed Consolidated Balance Sheets consisted of the following (in millions):

	March 31, 2022	December 31, 2021
Current receivables	$ 987.4	$ 973.4
Long-term receivables	8.5	8.6
	$ 995.9	$ 982.0

Changes in the Company's allowance for doubtful accounts by type of receivable were as follows (in millions):

	Three Months Ended March 31, 2022			Three Months Ended March 31, 2021		
	Finance Receivables	Trade and Other Receivables	Total	Finance Receivables	Trade and Other Receivables	Total
Allowance at beginning of period	$ 0.5	$ 3.7	$ 4.2	$ 1.4	$ 4.4	$ 5.8
Provision for doubtful accounts, net of recoveries	(0.1)	1.8	1.7	(0.3)	0.2	(0.1)
Allowance at end of period	$ 0.4	$ 5.5	$ 5.9	$ 1.1	$ 4.6	$ 5.7

8. Inventories

Inventories consisted of the following (in millions):

	March 31, 2022	December 31, 2021
Raw materials	$ 1,021.0	$ 984.4
Partially finished products	426.5	334.0
Finished products	254.2	239.7
Inventories at FIFO cost	1,701.7	1,558.1
Less: Excess of FIFO cost over LIFO cost	(173.8)	(175.4)
	$ 1,527.9	$ 1,382.7

9. Property, Plant and Equipment

Property, plant and equipment consisted of the following (in millions):

	March 31, 2022	December 31, 2021
Land and land improvements	$ 72.7	$ 72.0
Buildings	413.0	410.9
Machinery and equipment	768.1	740.9
Software and related costs	200.4	201.3
Equipment on operating lease to others	9.2	9.9
Construction in progress	45.3	45.3
	1,508.7	1,480.3
Less accumulated depreciation	(905.0)	(887.1)
	$ 603.7	$ 593.2

Depreciation expense was $20.7 million and $20.2 million for the three months ended March 31, 2022 and 2021, respectively. Capitalized interest was insignificant for all reported periods.

Equipment on operating lease to others represents the cost of equipment shipped to customers for whom the Company has guaranteed the residual value and equipment on short-term leases. These transactions are accounted for as operating leases with the related assets capitalized and depreciated over their estimated economic lives of five to ten years. Cost less accumulated depreciation for equipment on operating lease at March 31, 2022 and December 31, 2021 was $8.2 million and $8.9 million, respectively.

10. Goodwill and Purchased Intangible Assets

Goodwill and other indefinite-lived intangible assets are not amortized but are reviewed for impairment annually or more frequently if potential interim indicators exist that could result in impairment. The Company performs its annual impairment test in the fourth quarter of its fiscal year.

The following table presents changes in goodwill during the three months ended March 31, 2022 (in millions):

	Access Equipment	Defense	Fire & Emergency	Commercial	Total
Net goodwill at December 31, 2021	$ 877.6	$ 44.4	$ 106.1	$ 20.9	$ 1,049.0
Foreign currency translation	(4.1)	—	—	—	(4.1)
Net goodwill at March 31, 2022	$ 873.5	$ 44.4	$ 106.1	$ 20.9	$ 1,044.9

The following table presents details of the Company's goodwill allocated to the reportable segments (in millions):

	March 31, 2022			December 31, 2021		
	Gross	Accumulated Impairment	Net	Gross	Accumulated Impairment	Net
Access Equipment	$ 1,805.6	$ (932.1)	$ 873.5	$ 1,809.7	$ (932.1)	$ 877.6
Defense	44.4	—	44.4	44.4	—	44.4
Fire & Emergency	108.1	(2.0)	106.1	108.1	(2.0)	106.1
Commercial	188.5	(167.6)	20.9	188.5	(167.6)	20.9
	$ 2,146.6	$ (1,101.7)	$ 1,044.9	$ 2,150.7	$ (1,101.7)	$ 1,049.0

Details of the Company's total purchased intangible assets are as follows (in millions):

	March 31, 2022			
	Weighted-Average Life	Gross	Accumulated Amortization	Net
Amortizable intangible assets:				
Distribution network	39.2	$ 55.4	$ (35.9)	$ 19.5
Technology-related	12.0	108.4	(104.1)	4.3
Customer relationships	12.6	572.6	(552.8)	19.8
Other	12.2	23.6	(19.4)	4.2
	14.4	760.0	(712.2)	47.8
Non-amortizable trade names		417.1	—	417.1
		$ 1,177.1	$ (712.2)	$ 464.9

	December 31, 2021			
	Weighted-Average Life	Gross	Accumulated Amortization	Net
Amortizable intangible assets:				
Distribution network	39.2	$ 55.4	$ (35.6)	$ 19.8
Technology-related	11.9	104.7	(104.0)	0.7
Customer relationships	12.6	572.6	(551.3)	21.3
Other	12.1	23.6	(18.5)	5.1
	14.4	756.3	(709.4)	46.9
Non-amortizable trade names		417.1	—	417.1
		$ 1,173.4	$ (709.4)	$ 464.0

On March 1, 2022, the Company acquired two patents with a combined value of $3.7 million. The technology-related intangible asset is subject to amortization with an estimated life of 14.3 years.

The estimated future amortization expense of purchased intangible assets for the remainder of fiscal 2022 and each of the five years succeeding December 31, 2021 are as follows: 2022 (remaining nine months) $8.5 million; 2023 - $5.7 million; 2024 - $4.5 million; 2025 - $4.4 million; 2026 - $4.4 million; and 2027 - $4.4 million.

11. Credit Agreements

The Company was obligated under the following debt instruments (in millions):

	March 31, 2022		
	Principal	Debt Issuance Costs	Debt, Net
4.600% Senior notes due May 2028	300.0	(2.4)	297.6
3.100% Senior notes due March 2030	300.0	(3.2)	296.8
	$ 600.0	$ (5.6)	$ 594.4

	December 31, 2021		
	Principal	Debt Issuance Costs	Debt, Net
Senior Term Loan	$ 225.0	$ (0.2)	$ 224.8
4.600% Senior notes due May 2028	300.0	(2.5)	297.5
3.100% Senior notes due March 2030	300.0	(3.3)	296.7
	$ 825.0	$ (6.0)	$ 819.0

On March 23, 2022, the Company entered into a Third Amended and Restated Credit Agreement with various lenders (the “Credit Agreement”). The Credit Agreement provides for an unsecured revolving credit facility (the “Revolving Credit Facility”) that matures in March 2027 with an initial maximum aggregate amount of availability of $1.1 billion. Debt issuance costs of $2.5 million were capitalized related to the Credit Agreement. In March 2022, the Company repaid a $225.0 million senior term loan that existed under the Second Amended and Restated Credit Agreement. As a result of the repayment, the Company expensed $0.1 million of previously capitalized debt issuance costs.

At March 31, 2022, outstanding letters of credit of $18.6 million reduced available capacity under the Revolving Credit Facility to $1.08 billion.

Under the Credit Agreement, the Company is obligated to pay (i) an unused commitment fee ranging from 0.080% to 0.225% per annum of the average daily unused portion of the aggregate revolving credit commitments under the Credit Agreement and (ii) a fee ranging from 0.4375% to 1.500% per annum of the maximum amount available to be drawn for each letter of credit issued and outstanding under the Credit Agreement.

Borrowings under the Credit Agreement bear interest for dollar-denominated loans at a variable rate equal to (i) Term SOFR (the forward-looking secured overnight financing rate) plus a specified margin, which may be adjusted upward or downward depending on whether certain criteria are satisfied, or (ii) the base rate (which is the highest of (x) Bank of America, N.A.’s prime rate, (y) the federal funds rate plus 0.50% or (z) the sum of 1.00% plus one-month Term SOFR) plus a specified margin, which may be adjusted upward or downward depending on whether certain criteria are satisfied. At March 31, 2022, the interest spread on the Revolving Credit Facility was 112.5 basis points.

The Credit Agreement contains various restrictions and covenants, including a requirement that the Company maintain a leverage ratio at certain levels, subject to certain exceptions, restrictions on the ability of the Company and certain of its subsidiaries to consolidate or merge, create liens, incur additional subsidiary indebtedness and consummate acquisitions and a restriction on the disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole.

The Credit Agreement requires the Company to maintain a maximum leverage ratio (defined as, with certain adjustments, the ratio of the Company’s consolidated indebtedness to the Company’s consolidated net income for the previous four quarters before interest, taxes, depreciation, amortization, non-cash charges and certain other items (EBITDA)) as of the last day of any fiscal quarter of 3.75 to 1.00, subject to the Company’s right to temporarily increase the maximum leverage ratio to 4.25 to 1.00 in connection with certain material acquisitions. The Company was in compliance with the financial covenant contained in the Credit Agreement as of March 31, 2022.

In May 2018, the Company issued $300.0 million of 4.600% unsecured senior notes due May 15, 2028 (the “2028 Senior Notes”). In February 2020, the Company issued $300.0 million of 3.100% unsecured senior notes due March 1, 2030 (the “2030 Senior Notes”). The 2028 Senior Notes and the 2030 Senior Notes were issued pursuant to an indenture (the “Indenture”) between the Company and a trustee. The Indenture contains customary affirmative and negative covenants. The Company has the option to redeem the 2028 and 2030 Senior Notes at any time for a premium.

In September 2019, the Company entered into a 220.0 million Chinese renminbi uncommitted line of credit to provide short-term finance support to operations in China. There were no outstanding borrowings on the uncommitted line of credit as of March 31, 2022 or December 31, 2021. The line of credit carries a variable interest rate that is set by the lender, which was approximately 4.2% at March 31, 2022.

The fair value of the long-term debt is estimated based upon Level 2 inputs to reflect the market rate of the Company’s debt. At March 31, 2022, the fair value of the 2028 Senior Notes and the 2030 Senior Notes was estimated to be $308 million ($338 million at December 31, 2021) and $278 million ($313 million at December 31, 2021), respectively. The fair value of the Term Loan approximated its book value at December 31, 2021. See Note 17 of the Notes to Condensed Consolidated Financial Statements for the definition of a Level 2 input.

12. Warranties

The Company's products generally carry explicit warranties that extend from six months to five years, based on terms that are generally accepted in the marketplace. Selected components (such as engines, transmissions, tires, etc.) included in the Company's end products may include manufacturers' warranties. These manufacturers' warranties are generally passed on to the end customer of the Company's products, and the customer would generally deal directly with the component manufacturer.

Provisions for estimated warranty and other related costs are recorded at the time of sale and are periodically adjusted to reflect actual experience. Certain warranty and other related claims involve matters of dispute that ultimately are resolved by negotiation, arbitration or litigation. At times, warranty issues arise that are beyond the scope of the Company's historical experience. It is reasonably possible that additional warranty and other related claims could arise from disputes or other matters in excess of amounts accrued; however, the Company does not expect that any such amounts, while not determinable, would have a material effect on the Company's consolidated financial condition, results of operations or cash flows.

Changes in the Company's assurance-type warranty liability were as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Balance at beginning of period	$ 65.7	$ 64.6
Warranty provisions	11.1	10.3
Settlements made	(13.6)	(17.0)
Changes in liability for pre-existing warranties, net	(1.6)	5.9
Foreign currency translation	—	(0.1)
Acquisition	—	0.3
Balance at end of period	$ 61.6	$ 64.0

13. Guarantee Arrangements

Customers of the Company, from time to time, may fund purchases of the Company's equipment through third-party finance companies. In certain instances, the Company may be requested to provide support for these arrangements through credit or residual value guarantees, by which the Company agrees to make payments to the finance companies in certain circumstances as further described below.

Credit Guarantees: The Company is party to multiple agreements whereby at March 31, 2022 the Company guaranteed an aggregate of $758.1 million in indebtedness of customers. The Company estimated that its maximum loss exposure under these contracts at March 31, 2022 was $132.6 million. Terms of these guarantees coincide with the financing arranged by the customer and generally do not exceed five years. Under the terms of these agreements and upon the occurrence of certain events, the Company generally has the ability to, among other things, take possession of the underlying collateral. If the financial condition of the customers were to deteriorate and result in their inability to make payments, then loss provisions in excess of amounts provided for at inception may be required. Given the Company's position as original equipment manufacturer and its knowledge of end markets, the Company, when called upon to fulfill a guarantee, generally has been able to liquidate the financed equipment at a minimal loss, if any, to the Company. While the Company does not expect to experience losses under these agreements that are materially in excess of the amounts reserved, it cannot provide any assurance that the financial condition of the third parties will not deteriorate resulting in the third parties' inability to meet their obligations. In the event that this occurs, the Company cannot guarantee that the collateral underlying the agreements will be sufficient to avoid losses materially in excess of the amounts reserved. Any losses under these guarantees would generally be mitigated by the value of any underlying collateral, including financed equipment. During periods of economic weakness, collateral values generally decline and can contribute to higher exposure to losses.

Residual Value Guarantees: The Company is party to multiple agreements whereby at March 31, 2022 the Company guaranteed to support an aggregate of $96.1 million of customer equipment value. The Company estimated that its maximum loss exposure under these contracts at March 31, 2022 was $10.9 million. Terms of these guarantees coincide with the financing arranged by the customer and generally do not exceed five years. Under the terms of these agreements, the Company guarantees that a piece of equipment will have a minimum residual value at a future date. If the counterparty is not able to recover the agreed upon residual value through sale, or alternative disposition, the Company is responsible for a portion of the shortfall. The Company is generally able to mitigate a portion of the risk associated with these guarantees by staggering the maturity terms of the guarantees, diversification of the portfolio and leveraging knowledge gained through the Company's own experience in the used equipment markets. There can be no assurance the Company's historical experience in used equipment markets will be indicative of future results. The Company's ability to recover losses experienced from its guarantees may be affected by economic conditions in used equipment markets at the time of loss. During periods of economic weakness, residual values generally decline and can contribute to higher exposure to losses.

Changes in the non-contingent portion of the Company's guarantee liabilities were as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Balance at beginning of period	$ 12.1	$ 14.7
Provision for new credit guarantees	1.0	0.4
Changes for pre-existing guarantees, net	(2.5)	(0.4)
Amortization of previous guarantees	(0.5)	(0.9)
Balance at end of period	$ 10.1	$ 13.8

Upon the adoption of Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 326, *Financial Instruments – Credit Losses*, the contingent portion of the guarantee liabilities that relates to current expected credit losses is recognized separately and is recorded within "Other current liabilities" and "Other long-term liabilities" in the Company's Condensed Consolidated Balance Sheets.

Changes in the contingent portion of the Company's guarantee liabilities were as follows (in millions):

	Three Months Ended March 31,	
	2022	2021
Balance at beginning of period	$ 4.0	$ 6.9
Provision for new credit guarantees	0.6	0.3
Changes in allowance for pre-existing guarantees, net	5.0	(0.3)
Foreign currency translation	0.1	—
Balance at end of period	$ 9.7	$ 6.9

14. Contingencies, Significant Estimates and Concentrations

Personal Injury Actions and Other - Product and general liability claims are made against the Company from time to time in the ordinary course of business. The Company is generally self-insured for future claims up to $5.0 million per claim. Accordingly, a reserve is maintained for the estimated costs of such claims. At March 31, 2022 and December 31, 2021, the estimated net liabilities for product and general liability claims totaled $44.5 million and $45.1 million, respectively. There is inherent uncertainty as to the eventual resolution of unsettled claims. Management, however, believes that any losses in excess of established reserves will not have a material effect on the Company's financial condition, results of operations or cash flows.

Market Risks - The Company was contingently liable under bid, performance and specialty bonds totaling $1.46 billion and $1.24 billion at March 31, 2022 and December 31, 2021, respectively. Open standby letters of credit issued by the Company's banks in favor of third parties totaled $21.8 million and $22.1 million at March 31, 2022 and December 31, 2021, respectively.

Other Matters - The Company is subject to environmental matters and legal proceedings and claims, including patent, antitrust, product liability, warranty and state dealership regulation compliance proceedings, that arise in the ordinary course of business. Although the final results of all such matters and claims cannot be predicted with certainty, management believes that the ultimate resolution of all such matters and claims will not have a material effect on the Company's financial condition, results of operations or cash flows. Actual results could vary, among other things, due to the uncertainties involved in litigation.

Major contracts for military systems are performed over extended periods of time and are subject to changes in scope of work and delivery schedules. Pricing negotiations on changes and settlement of claims often extend over prolonged periods of time. The Company's ultimate profitability on such contracts may depend on the eventual outcome of an equitable settlement of contractual issues with the Company's customers.

15. Shareholders' Equity

In May 2019, the Company's Board of Directors approved a Common Stock repurchase authorization of 10,000,000 shares. The Company repurchased 751,309 shares of Common Stock under this authorization during the three months ended March 31, 2022 at a cost of $85.0 million. As of March 31, 2022, the Company has remaining authority to repurchase 4,417,254 shares of Common Stock.

16. Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) by component were as follows (in millions):

	Three Months Ended March 31, 2022			
	Employee Pension and Postretirement Benefits, Net of Tax	Cumulative Translation Adjustments	Derivative Instruments, Net of Tax	Accumulated Other Comprehensive Income (Loss)
Balance at beginning of period	$ (25.6)	$ (105.2)	$ 2.2	$ (128.6)
Other comprehensive income (loss) before reclassifications	—	(6.5)	0.9	(5.6)
Amounts reclassified from accumulated other comprehensive income (loss)	0.4	—	(0.1)	0.3
Net current period other comprehensive income (loss)	0.4	(6.5)	0.8	(5.3)
Balance at end of period	$ (25.2)	$ (111.7)	$ 3.0	$ (133.9)

	Three Months Ended March 31, 2021			
	Employee Pension and Postretirement Benefits, Net of Tax	Cumulative Translation Adjustments	Derivative Instruments, Net of Tax	Accumulated Other Comprehensive Income (Loss)
Balance at beginning of period	$ (94.7)	$ (70.3)	$ (0.5)	$ (165.5)
Other comprehensive income (loss) before reclassifications	—	(20.0)	0.4	(19.6)
Amounts reclassified from accumulated other comprehensive income (loss)	1.2	—	—	1.2
Net current period other comprehensive income (loss)	1.2	(20.0)	0.4	(18.4)
Balance at end of period	$ (93.5)	$ (90.3)	$ (0.1)	$ (183.9)

Reclassifications out of accumulated other comprehensive income (loss) included in the computation of net periodic pension and postretirement benefit cost (See Note 4 of the Notes to Condensed Consolidated Financial Statements for additional details regarding employee benefit plans) were as follows (in millions):

	Classification of Income (Expense)	Three Months Ended March 31, 2022	2021
Amortization of employee pension and postretirement benefits items			
Prior service costs	Miscellaneous, net	$ 0.2	$ 0.2
Actuarial losses	Miscellaneous, net	0.3	1.2
Total before tax		0.5	1.4
Tax benefit		(0.1)	(0.2)
Net of tax		$ 0.4	$ 1.2

17. Fair Value Measurement

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., exit price) in an orderly transaction between market participants at the measurement date. FASB ASC Topic 820 requires disclosures that categorize assets and liabilities measured at fair value into one of three different levels depending on the assumptions (i.e., inputs) used in the valuation. Level 1 provides the most reliable measure of fair value, while Level 3 generally requires significant management judgment.

The three levels are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than quoted prices in active markets for identical assets or liabilities, such as quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management’s own assumptions about the inputs used in pricing the asset or liability.

The fair value of the Company’s financial assets and liabilities were as follows (in millions):

	Level 1	Level 2	Level 3	Total
March 31, 2022				
Assets:				
SERP plan assets [a]	$ 15.8	$ —	$ —	$ 15.8
Investment in equity securities [b]	16.8	—	—	16.8
Foreign currency exchange derivatives [c]	—	5.5	—	5.5
Liabilities:				
Foreign currency exchange derivatives [c]	$ —	$ 0.8	$ —	$ 0.8
December 31, 2021				
Assets:				
SERP plan assets [a]	$ 21.3	$ —	$ —	$ 21.3
Investment in equity securities [b]	14.2	—	—	14.2
Foreign currency exchange derivatives [c]	—	3.7	—	3.7
Liabilities:				
Foreign currency exchange derivatives [c]	$ —	$ 0.9	$ —	$ 0.9

(a) Represents investments held in a rabbi trust for the Company’s non-qualified supplemental executive retirement plan (SERP). The fair values of these investments are determined using a market approach. Investments include mutual funds for which quoted prices in active markets are available. The Company records changes in the fair value of investments in “Miscellaneous, net” in the Condensed Consolidated Statements of Income.

(b) Represents investments in equity securities for which quoted prices in active markets are available. The Company records changes in the fair value of investments in “Miscellaneous, net” in the Condensed Consolidated Statements of Income.

(c) Based on observable market transactions of forward currency prices.

18. Business Segment Information

The Company is organized into four reportable segments based on the internal organization used by the Chief Executive Officer for making operating decisions and measuring performance and based on the similarity of customers served, common management, common use of facilities and economic results attained.

In accordance with FASB ASC Topic 280, *Segment Reporting*, for purposes of business segment performance measurement, the Company does not allocate to individual business segments costs or items that are of a non-operating nature or organizational or functional expenses of a corporate nature. The caption “Corporate” includes corporate office expenses, stock-based compensation, costs of certain business initiatives and shared services or operations benefiting multiple segments, and results of insignificant operations. Identifiable assets of the business segments exclude general corporate assets, which principally consist of cash and cash equivalents, certain property, plant and equipment, and certain other assets pertaining to corporate activities. Intersegment sales generally include amounts invoiced by a segment for work performed for another segment. Amounts are based on actual work performed and agreed-upon pricing, which is intended to be reflective of the contribution made by the supplying business segment.

Selected financial information concerning the Company's reportable segments and product lines is as follows (in millions):

	Three Months Ended March 31,					
	2022			2021		
	External Customers	Inter-segment	Net Sales	External Customers	Inter-segment	Net Sales
Net sales:						
Access Equipment						
Aerial work platforms	$ 439.7	$ —	$ 439.7	$ 358.2	$ —	$ 358.2
Telehandlers	229.7	—	229.7	175.2	—	175.2
Other	213.6	0.1	213.7	203.2	1.6	204.8
Total Access Equipment	883.0	0.1	883.1	736.6	1.6	738.2
Defense	535.2	0.4	535.6	614.3	0.4	614.7
Fire & Emergency	286.5	1.4	287.9	308.7	3.8	312.5
Commercial						
Refuse collection	129.3	—	129.3	104.4	—	104.4
Concrete placement	85.1	—	85.1	97.3	—	97.3
Other	26.6	0.4	27.0	27.1	1.2	28.3
Total Commercial	241.0	0.4	241.4	228.8	1.2	230.0
Corporate and intersegment eliminations	—	(2.3)	(2.3)	0.6	(7.0)	(6.4)
Consolidated	$ 1,945.7	$ —	$ 1,945.7	$ 1,889.0	$ —	$ 1,889.0

	Three Months Ended March 31,	
	2022	2021
Operating income (loss):		
Access Equipment [(a)]	$ 7.5	$ 80.5
Defense	19.4	35.5
Fire & Emergency	22.4	47.4
Commercial	14.3	18.8
Corporate	(34.3)	(41.4)
Consolidated	29.3	140.8
Interest expense, net of interest income	(11.6)	(11.2)
Miscellaneous other income (expense)	1.1	3.1
Income before income taxes and earnings (losses) of unconsolidated affiliates	$ 18.8	$ 132.7

(a) Results for the three months ended March 31, 2021 include a $1.6 million benefit for restructuring and a $3.8 million charge for other costs related to restructuring plans.

	March 31, 2022	December 31, 2021
Identifiable assets:		
Access Equipment:		
U.S.	$ 2,453.9	$ 2,311.8
Europe, Africa and Middle East	456.5	460.3
Rest of the World	408.4	383.0
Total Access Equipment	3,318.8	3,155.1
Defense:		
U.S.	1,357.9	1,225.0
Rest of the World	6.6	7.2
Total Defense	1,364.5	1,232.2
Fire & Emergency- U.S.	521.6	511.2
Commercial:		
U.S.	390.0	379.6
Rest of the World	51.0	45.1
Total Commercial	441.0	424.7
Corporate- U.S. [a]	1,328.6	1,398.6
Consolidated	$ 6,974.5	$ 6,721.8

(a) Primarily includes cash and short-term investments and the Company's global headquarters.

The following table presents net sales by geographic region based on product shipment destination (in millions):

	Three Months Ended March 31, 2022					
	Access Equipment	Defense	Fire & Emergency	Commercial	Eliminations	Total
Net sales:						
North America	$ 732.9	$ 524.3	$ 275.4	$ 239.3	$ (2.3)	$ 1,769.6
Europe, Africa and Middle East	81.0	11.0	—	0.9	—	92.9
Rest of the World	69.2	0.3	12.5	1.2	—	83.2
Consolidated	$ 883.1	$ 535.6	$ 287.9	$ 241.4	$ (2.3)	$ 1,945.7

	Three Months Ended March 31, 2021					
	Access Equipment	Defense	Fire & Emergency	Commercial	Eliminations	Total
Net sales:						
North America	$ 555.4	$ 551.2	$ 296.8	$ 228.0	$ (6.4)	$ 1,625.0
Europe, Africa and Middle East	82.8	63.0	13.3	0.5	—	159.6
Rest of the World	100.0	0.5	2.4	1.5	—	104.4
Consolidated	$ 738.2	$ 614.7	$ 312.5	$ 230.0	$ (6.4)	$ 1,889.0

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

In October 2021, Oshkosh Corporation and its subsidiaries (the Company) changed its fiscal year from a year beginning on October 1 and ending September 30 to a year beginning on January 1 and ending December 31. The Company's current fiscal year runs from January 1, 2022 through December 31, 2022 (fiscal 2022).

Cautionary Statement About Forward-Looking Statements

This Management's Discussion and Analysis of Financial Condition and Results of Operations and other sections of this Quarterly Report on Form 10-Q contain 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 this Quarterly Report on Form 10-Q, 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, including those under the caption "Overview" are forward-looking statements. When used in this Quarterly Report on Form 10-Q, 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 extent of supply chain and logistics disruptions; the Company's ability to increase prices or impose surcharges to raise margins or to offset higher input costs, including increased raw material, labor and freight costs; the Company's ability to attract and retain production labor in a timely manner; the cyclical nature of the Company's access equipment, commercial and fire & emergency 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 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; the impact of any U.S. Department of Defense (DoD) solicitation for competition for future contracts to produce military vehicles; the impacts of budget constraints facing the U.S. Postal Service (USPS) and continuously changing demands for postal services; the impact of severe weather, war, natural disasters or pandemics that may affect the Company, its suppliers or its customers; 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 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 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 U.S. Securities and Exchange Commission (SEC) filings, including, but not limited to, the Company's Current Report on Form 8-K filed with the SEC on April 27, 2022 and Item 1A. of Part II of this Quarterly Report on Form 10-Q.

All forward-looking statements, including those under the caption "Overview," speak only as of the date the Company files this Quarterly Report on Form 10-Q with the SEC. The Company assumes no obligation, and disclaims any obligation, to update information contained in this Quarterly Report on Form 10-Q. Investors should be aware that the Company may not update such information until the Company's next quarterly earnings conference call, if at all.

All references herein to earnings per share refer to earnings per share assuming dilution.

General

Major products manufactured and marketed by each of the Company's business segments are as follows:

Access Equipment — aerial work platforms and telehandlers used in a wide variety of construction, industrial, institutional and general maintenance applications to position workers and materials at elevated heights, as well as carriers and wreckers. Access Equipment customers include equipment rental companies, construction contractors, manufacturing companies, home improvement centers and towing companies.

Defense — tactical vehicles, trailers, weapons system integration and supply parts and services sold to the U.S. military and to other militaries around the world, last mile delivery vehicles for the USPS, and snow removal vehicles for military and civilian airports.

Fire & Emergency — custom and commercial firefighting vehicles and equipment, aircraft rescue and firefighting (ARFF) vehicles, simulators, mobile command and control vehicles and other emergency vehicles primarily sold to fire departments, airports and other governmental units, as well as broadcast vehicles sold to broadcasters and TV stations.

Commercial — refuse collection vehicles sold to commercial and municipal waste haulers, concrete mixers sold to ready-mix companies and field service vehicles and truck-mounted cranes sold to mining, construction and other companies.

Overview

The Company reported a net loss of $0.03 per share for the first quarter of fiscal 2022, down from net income of $1.44 per share for the three months ended March 31, 2021. The decrease in earnings per share in the first quarter of fiscal 2022 was primarily due to unfavorable price/cost dynamics, higher manufacturing costs, due in part to component shortages and labor challenges, and a charge of $18.1 million, or $0.27 per share, associated with taxes on previous income as the Company revised its interpretation of certain foreign anti-hybrid tax legislation based upon comments from the corresponding taxing authorities of the applicable jurisdiction during the quarter The Company believes that price/cost headwinds peaked in the first quarter in fiscal 2022 at approximately $125 million.

Prior to Russia's invasion of Ukraine, steel, aluminum and freight costs had moderated and the Company expected that this moderation would continue. Since the invasion, pronounced increases in these costs have occurred. With commodity and freight costs trending up again, all of the Company's non-defense segments have remained agile and have taken additional pricing actions. Pricing actions in the Access Equipment and Commercial segments in the first quarter of fiscal 2022 impacted orders in backlog, which the Company expects to mitigate some of the additional cost headwinds the Company is facing.

While new cost pressures have emerged that the Company expects will impact fiscal 2022, the Company expects improvement in price/cost dynamics in the second quarter of fiscal 2022 and further improvement in the second half of fiscal 2022, when it expects to be largely price/cost neutral compared to the beginning of fiscal 2021. In total, the Company expects price/cost headwinds of approximately $180 million to $200 million for fiscal 2022, up from its previous expectation of $140 million to $150 million, with the first and second quarters of fiscal 2022 experiencing the majority of the revised impact.

Consolidated sales in the first quarter of fiscal 2022 increased 3.0 percent compared to the three months ended March 31, 2021 to $1.95 billion largely as a result of improved pricing and increased product content. Sales volume was relatively flat compared to the three months ended March 31, 2021 as the impact of increased shipments of access equipment in North America was offset by lower sales volumes in the Defense, Fire & Emergency and Commercial segments.

Consolidated operating income in the first quarter of fiscal 2022 decreased 79.2 percent to $29.3 million, or 1.5 percent of sales, compared to $140.8 million, or 7.5 percent of sales, for the three months ended March 31, 2021. The decrease was primarily due to unfavorable price/cost dynamics and higher manufacturing costs, due in part to component shortages and labor challenges, offset in part by improved mix.

During the first quarter of fiscal 2022, the Company amended and extended its credit agreement to March 2027. In conjunction with the extension, the Company repaid its outstanding term loan with a balance of $225 million at December 31, 2021 and increased its revolving credit facility from $850 million to $1.1 billion.

Recent COVID related lockdowns in China have also introduced additional volatility to global supply chains. The Company's previous outlook for fiscal 2022 assumed moderate supply chain improvements throughout the year. The pace of supply chain improvement remains uncertain. As a result of additional material and freight cost pressures, supply chain disruptions and labor challenges, the Company revised its fiscal 2022 earnings per share estimate range from $5.75 to $6.75 to a range of $4.75 to $5.75 on estimated operating income of $475 million to $560 million and consolidated sales of between $8.1 billion and $8.6 billion. The revised estimate includes an approximate $0.25 per share charge related to taxes on foreign anti-hybrid tax legislation recorded in the first quarter of fiscal 2022. Excluding this item, the Company's adjusted earnings per share estimate range for fiscal 2022 is $5.00 to $6.00.

The Company now expects Access Equipment segment fiscal 2022 sales will be $3.8 billion to $4.2 billion compared to the Company's previous estimate range of $3.7 billion to $4.1 billion largely due to the additional pricing actions in the first quarter of fiscal 2022. The Company now expects Access Equipment segment fiscal 2022 operating income margin to be 8.0% to 8.75% compared to the Company's previous operating income margin estimate range of 9.0% to 10.0%. Increased freight and component costs are contributing to the lower operating income expectations.

The Company continues to expect Defense segment fiscal 2022 sales to be approximately $2.2 billion. The Company has revised the Defense segment fiscal 2022 operating income margin expectation from approximately 7.0% to approximately 6.25% as the more persistent inflationary environment caused unfavorable cumulative catch-up adjustments in the first quarter of fiscal 2022.

The Company continues to expect Fire & Emergency segment fiscal 2022 sales to be approximately $1.2 billion. The Company is reducing the Fire & Emergency segment fiscal 2022 operating income margin estimate from approximately 13.0% to a range of 11.0% to 11.75%. The decline in expectations reflects increased supply chain disruptions, labor inefficiencies and additional cost pressures.

The Company continues to expect Commercial segment fiscal 2022 sales to be $1.0 billion to $1.1 billion. The Company is reducing the Commercial segment fiscal 2022 operating income margin estimate from approximately 7.0% to approximately 6.5%.

The Company continues to expect corporate expenses in fiscal 2022 will be approximately $160 million. As a result of the tax charge associated with anti-hybrid tax legislation in the first quarter of fiscal 2022, the Company increased its estimated effective tax rate for fiscal 2022 from approximately 22.5% to approximately 26.0%.

The Company expects consolidated sales for the second quarter of fiscal 2022 to be approximately flat with the three months ended June 30, 2021, with Access Equipment segment sales up approximately 15% and Defense segment sales down by approximately 20%. The Company expects additional price realization in its non-Defense segments during the second quarter of fiscal 2022 as more sales will reflect price increases and surcharges implemented over the past twelve months. The Company expects a low to mid-single digit consolidated operating income margin in the second quarter of fiscal 2022.

RESULTS OF OPERATIONS – FIRST QUARTER OF FISCAL 2022 COMPARED WITH THE THREE MONTHS ENDED MARCH 31, 2021

CONSOLIDATED RESULTS

The following table presents consolidated results (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
Net sales	$ 1,945.7	$ 1,889.0	$ 56.7	3.0%
Cost of sales	1,744.4	1,573.9	170.5	10.8%
Gross income	201.3	315.1	(113.8)	-36.1%
% of sales	*10.3%*	*16.7%*	*-630bps*	
SG&A expenses	169.2	172.0	(2.8)	-1.6%
Amortization	2.8	2.3	0.5	21.7%
Operating income	29.3	140.8	(111.5)	-79.2%
% of sales	*1.5%*	*7.5%*	*-590bps*	

The following table presents net sales by geographic region based on product shipment destination (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
North America	$ 1,769.6	$ 1,625.0	$ 144.6	8.9%
Europe, Africa and Middle East	92.9	159.6	(66.7)	-41.8%
Rest of the World	83.2	104.4	(21.2)	-20.3%
	$ 1,945.7	$ 1,889.0	$ 56.7	3.0%

Consolidated net sales increased largely as a result of improved pricing ($48 million) and a sales mix which included more third-party chassis ($13 million). Sales volume was relatively flat as the impact of increased shipments of access equipment in North America was offset by lower sales volumes in the Defense, Fire & Emergency and Commercial segments.

The decrease in consolidated gross margin was due to higher material & logistics costs (780 basis points) and higher manufacturing costs (100 basis points), offset in part by improved pricing (190 basis points) and improved mix (60 basis points).

The decrease in consolidated selling, general and administrative expenses was generally due to lower incentive compensation costs ($12 million), offset in part by higher reserves for bad debts ($3 million), increased travel costs ($2 million), higher salary costs ($2 million) and higher product liability costs ($2 million).

The decrease in consolidated operating income was primarily due to unfavorable material & logistics costs ($151 million) and higher manufacturing costs ($20 million), in part due to parts shortages and labor challenges, offset in part by improved pricing ($48 million) and improved mix ($16 million).

The following table presents consolidated non-operating changes (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
Interest expense, net of interest income	$ (11.6)	$ (11.2)	$ (0.4)	3.6%
Miscellaneous income (expense)	1.1	3.1	(2.0)	-64.5%
Provision for income taxes	20.2	33.2	(13.0)	-39.2%
Effective tax rate	107.4%	25.0%		
Gains (losses) of unconsolidated affiliates	$ (0.7)	$ 0.1	$ (0.8)	-800.0%

Other miscellaneous expense primarily related to gains and losses on investments, net foreign currency transaction gains and losses, and non-service costs of the Company's pension plans.

The provision for income taxes for the three months ended March 31, 2022 included a charge of $18.1 million related to taxes on income generated in prior periods as the Company revised its interpretation of certain foreign anti-hybrid tax legislation based upon comments from the corresponding taxing authorities in the quarter.

Gains and losses of unconsolidated affiliates primarily represented changes in the Company's equity method investments.

SEGMENT RESULTS

Access Equipment

The following table presents the Access Equipment segment results (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
Net sales	$ 883.1	$ 738.2	$ 144.9	19.6%
Cost of sales	817.3	603.3	214.0	35.5%
Gross income	65.8	134.9	(69.1)	-51.2%
% of sales	*7.5%*	*18.3%*	*-1080bps*	
SG&A expenses	58.2	54.3	3.9	7.2%
Amortization	0.1	0.1	—	0.0%
Operating income	7.5	80.5	(73.0)	-90.7%
% of sales	*0.8%*	*10.9%*	*-1010bps*	

Access Equipment segment net sales increased largely as a result of robust demand for access equipment in North America.

The decrease in gross margin in the Access Equipment segment was due to unfavorable material & logistics costs (1,380 basis points) offset in part by improved pricing (230 basis points).

The decrease in operating income in the Access Equipment segment was primarily due to unfavorable material & logistics costs ($121 million) and higher manufacturing costs, largely associated with the implementation of manufacturing initiatives ($15 million), offset in part by the impact of higher gross margin associated with higher sales volume ($31 million) and improved pricing ($28 million).

Defense

The following table presents the Defense segment results (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
Net sales	$ 535.6	$ 614.7	$ (79.1)	-12.9%
Cost of sales	483.1	545.3	(62.2)	-11.4%
Gross income	52.5	69.4	(16.9)	-24.4%
% of sales	*9.8%*	*11.3%*	*-150bps*	
SG&A expenses	31.5	33.0	(1.5)	-4.5%
Amortization	1.6	0.9	0.7	77.8%
Operating income	19.4	35.5	(16.1)	-45.4%
% of sales	*3.6%*	*5.8%*	*-220bps*	

Defense segment net sales decreased as a result of lower Family of Heavy Tactical Vehicle and Family of Medium Tactical Vehicle program volume as U.S. government funding for these programs has decreased in recent years.

The decrease in gross margin in the Defense segment was due to unfavorable product mix (220 basis points) and unfavorable cumulative catch-up adjustments on contracts (80 basis points), offset in part by the absence of inefficiencies associated with the establishment of an additional production line that were incurred during the three months ended March 31, 2021 (120 basis points).

The decrease in operating income in the Defense segment was primarily a result of the impact of lower gross margin associated with lower sales volume ($12 million) and unfavorable product mix ($12 million), offset in part by the absence of inefficiencies associated with the establishment of an additional production line that were incurred during the three months ended March 31, 2021 ($8 million).

Fire & Emergency

The following table presents the Fire & Emergency segment results (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
Net sales	$ 287.9	$ 312.5	$ (24.6)	-7.9%
Cost of sales	241.0	242.5	(1.5)	-0.6%
Gross income	46.9	70.0	(23.1)	-33.0%
% of sales	*16.3%*	*22.4%*	*-610bps*	
SG&A expenses	24.2	22.2	2.0	9.0%
Amortization	0.3	0.4	(0.1)	-25.0%
Operating income	22.4	47.4	(25.0)	-52.7%
% of sales	*7.8%*	*15.2%*	*-740bps*	

Fire & Emergency segment net sales decreased due to lower ARFF vehicle volume ($18 million) as a large multi-unit award was recognized in sales during the three months ended March 31, 2021.

The decrease in gross margin in the Fire & Emergency segment was primarily attributable to higher material & logistics costs (410 basis points), higher production costs (250 basis points) associated with parts shortages and labor challenges, unfavorable product mix (70 basis points) and higher new product development spending (70 basis points), offset in part by improved pricing (170 basis points).

The decrease in operating income in the Fire & Emergency segment was largely a result of higher material & logistics costs ($12 million), the impact of lower gross margin associated with lower sales volume ($9 million), higher production costs associated with parts shortages and labor challenges ($7 million), offset in part by improved pricing ($7 million).

Commercial

The following table presents the Commercial segment results (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
Net sales	$ 241.4	$ 230.0	$ 11.4	5.0%
Cost of sales	202.5	190.3	12.2	6.4%
Gross income	38.9	39.7	(0.8)	-2.0%
% of sales	*16.1%*	*17.3%*	*-110bps*	
SG&A expenses	23.8	20.0	3.8	19.0%
Amortization	0.8	0.9	(0.1)	-11.1%
Operating income (loss)	14.3	18.8	(4.5)	-23.9%
% of sales	*5.9%*	*8.2%*	*-230bps*	

Commercial segment net sales increased as a result of favorable product mix primarily due to a greater percentage of sales that included a third-party chassis ($13 million) and higher pricing in response to higher input costs ($13 million), offset in part by lower sales volume as a result of supply chain challenges ($15 million).

The decrease in gross margin in the Commercial segment was primarily attributable to unfavorable material costs (920 basis points), offset in part by favorable product mix (430 basis points) and improved pricing (390 basis points).

The decrease in operating income in the Commercial segment was primarily due to higher material costs ($22 million), the impact of lower gross margin associated with lower sales volume ($4 million), higher manufacturing costs associated with parts shortages ($2 million), higher operating expenses ($2 million) and higher litigation costs ($1 million), offset in part by favorable product mix ($14 million) and improved pricing ($13 million).

Corporate and Intersegment Eliminations

The following table presents the corporate costs and intersegment eliminations (in millions):

	Three Months Ended March 31,			
	2022	2021	Change	% Change
Net sales	$ (2.3)	$ (6.4)	$ 4.1	-64.1%
Cost of sales	0.5	(7.5)	8.0	-106.7%
Gross income	(2.8)	1.1	(3.9)	-354.5%
Operating expenses	31.5	42.5	(11.0)	-25.9%
Operating income	(34.3)	(41.4)	7.1	-17.1%

Corporate operating expenses decreased primarily as a result of lower incentive compensation costs ($6 million), lower healthcare costs ($4 million) and lower share-based compensation costs ($3 million), offset in part by costs associated with the change in the Company’s fiscal year end ($2 million).

Liquidity and Capital Resources

The Company generates significant capital resources from operating activities, which is the expected primary source of funding for the Company. In addition to cash generated from operations, the Company had other sources of liquidity available at March 31, 2022, including $944.5 million of cash and cash equivalents and $1,081.4 million of unused available capacity under the Revolving Credit Facility (as defined in “Liquidity”). Borrowings under the Revolving Credit Facility could, as discussed below, be limited by a financial covenant contained in the Credit Agreement (as defined in “Liquidity”). The Company was in compliance with the financial covenant at March 31, 2022 and expects to remain in compliance with the financial covenant contained in the Credit Agreement for the foreseeable future.

The Company continues to actively monitor its liquidity position and working capital needs and prioritizes capital expenditures related to capacity and strategic investments. The Company remains in a stable overall capital resources and liquidity position that the Company believes is adequate to meet its projected needs. During the three months ended March 31, 2022, the Company repurchased $85 million in shares of its Common Stock. As of March 31, 2022, the Company had approximately 4.4 million shares of Common Stock remaining under its repurchase authorization.

Financial Condition at March 31, 2022

The Company’s capitalization was as follows (in millions):

	March 31, 2022	December 31, 2021
Cash and cash equivalents	$ 944.5	$ 995.7
Total debt	594.4	819.0
Total shareholders’ equity	2,968.0	3,076.4
Total capitalization (debt plus equity)	3,562.4	3,895.4
Debt to total capitalization	16.7%	21.0%

The Company's ratio of debt to total capitalization of 16.7% at March 31, 2022 remained within its targeted range. The Company's goal is to maintain an investment-grade credit rating. The rating agencies periodically update the Company's credit ratings as events or changes in economic conditions occur. At March 31, 2022, the long-term credit ratings assigned to the Company's senior debt securities by the credit rating agencies engaged by the Company were as follows:

Rating Agency	Rating
Fitch Ratings	BBB-
Moody's Investor Services, Inc.	Baa3
Standards & Poor's	BBB

Consolidated days sales outstanding (defined as "Trade Receivables" at quarter end divided by "Net Sales" for the most recent quarter multiplied by 90 days) decreased from 46 days at December 31, 2021 to 42 days at March 31, 2022. Likewise, days sales outstanding for segments other than the Defense segment decreased from 53 days at December 31, 2021 to 51 days at March 31, 2022. Consolidated inventory turns (defined as "Cost of Sales" on an annualized basis, divided by the average "Inventory" at the past five quarter end periods) increased from 4.9 times at December 31, 2021 to 5.1 times at March 31, 2022.

Cash Flows

Operating Cash Flows

Operating activities generated $328.9 million of cash in the first three months of fiscal 2022 compared to $326.8 million during the three months ended March 31, 2021. Lower net income during the first three months of fiscal 2022 was almost completely offset by improved working capital as a result of an increase in days payable outstanding. The Company expects to generate approximately $725 million of cash flows from operations in fiscal 2022.

Investing Cash Flows

Investing activities used cash of $40.1 million in the first three months of fiscal 2022 compared to $122.3 million during the three months ended March 31, 2021. The Company used available cash to fund the acquisition of Pratt Miller during the three months ended March 31, 2021. Through March 31, 2022, the Company utilized $26.1 million for capital expenditures. The Company anticipates that it will spend $300 million on capital expenditures in fiscal 2022. The expected increase in capital spending in fiscal 2022 reflects the set-up of the manufacturing plant in Spartanburg, SC, to produce Next Generation Delivery Vehicles (NGDV) for the USPS for which the Company will largely receive customer advances.

Financing Cash Flows

Financing activities used cash of $337.9 million in the first three months of fiscal 2022 compared to $5.7 million during the three months ended March 31, 2021. The increase in cash utilized for financing activities was due to the repayment of the Company's $225 million term loan and an increase in Common Stock repurchases under the authorization approved by the Company's Board of Directors. In the first three months of fiscal 2022, the Company repurchased 751,309 shares of its Common Stock at an aggregate cost of $85.0 million. The Company did not repurchase any shares of its Common Stock in the three months ended March 31, 2021.

Liquidity

Senior Credit Agreement

On March 23, 2022, the Company entered into a Third Amended and Restated Credit Agreement (the “Credit Agreement”). The Credit Agreement provides for an unsecured revolving credit facility (the “Revolving Credit Facility”) that matures in March 2027 with an initial maximum aggregate amount of availability of $1.1 billion.

Under the Credit Agreement, the Company is obligated to pay (i) an unused commitment fee ranging from 0.080% to 0.225% per annum of the average daily unused portion of the aggregate revolving credit commitments under the Credit Agreement and (ii) a fee ranging from 0.4375% to 1.500% per annum of the maximum amount available to be drawn for each letter of credit issued and outstanding under the Credit Agreement.

Covenant Compliance

The Credit Agreement contains various restrictions and covenants, including a requirement that the Company maintain a leverage ratio at certain levels, subject to certain exceptions, restrictions on the ability of the Company and certain of its subsidiaries to consolidate or merge, create liens, incur additional subsidiary indebtedness and consummate acquisitions and a restriction on the disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole. The Company was in compliance with the financial covenant contained in the Credit Agreement as of March 31, 2022 and expects to be able to meet the financial covenant contained in the Credit Agreement over the next twelve months.

Senior Notes

In May 2018, the Company issued $300.0 million of 4.600% unsecured senior notes due May 15, 2028 (the “2028 Senior Notes”). In February 2020, the Company issued $300.0 million of 3.100% unsecured senior notes due March 1, 2030 (the “2030 Senior Notes”) at a discount of $1.2 million. The 2028 Senior Notes and the 2030 Senior Notes were issued pursuant to an indenture (the “Indenture”) between the Company and a trustee. The Indenture contains customary affirmative and negative covenants. The Company has the option to redeem the 2028 Senior Notes and 2030 Senior Notes at any time for a premium.

Refer to Note 11 to Condensed Consolidated Financial Statements for additional information regarding the Company’s debt as of March 31, 2022.

Application of Critical Accounting Policies

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires the Company to make judgments, assumptions and estimates that affect the amounts reported in the Condensed Consolidated Financial Statements and accompanying notes. The accounting policies that the Company believes are most critical to the portrayal of its financial condition and results of operations are reported in Item 7 of the Company’s Annual Report on Form 10-K for the year ended September 30, 2021.

Critical Accounting Estimates

The Company’s disclosures of critical accounting estimates in its Annual Report on Form 10-K for the year ended September 30, 2021 have not materially changed since that report was filed.

New Accounting Standards

There are no significant impacts of new accounting standards on the Company’s Condensed Consolidated Financial Statements.

Customers and Backlog

Sales to the U.S. government comprised approximately 27% of the Company's net sales in the three months ended March 31, 2022. No other single customer accounted for more than 10% of the Company's net sales for this period. A substantial majority of the Company's net sales are derived from the fulfillment of customer orders that are received prior to commencing production.

The Company's backlog at March 31, 2022 increased 88.4% to $12.70 billion compared to $6.74 billion at March 31, 2021. Access Equipment segment backlog increased 160.5% to $3.96 billion at March 31, 2022 compared to $1.52 billion at March 31, 2021 as the re-opening of economies coming out of the pandemic and elevated customer fleet ages drove higher demand. Defense segment backlog increased 76.6% to $6.19 billion at March 31, 2022 compared to $3.50 billion at March 31, 2021 primarily due to the initial vehicle order from the USPS for the NGDV program. Fire & Emergency segment backlog increased 51.8% to $1.92 billion at March 31, 2022 compared to $1.27 billion at March 31, 2021 due to strong demand for fire trucks coming out of the COVID-19 pandemic. Although Fire & Emergency segment backlog remained strong, orders softened for ARFF vehicles due to the adverse impact of the COVID-19 pandemic on airport budgets. Commercial segment backlog increased 40.1% to $630.1 million at March 31, 2022 compared to $449.7 million at March 31, 2021 due to improved market demand for refuse collection vehicles as demand rebounded following the re-opening of economies and high demand for the Company's new front-discharge concrete mixer. Global supply chain challenges and the associated delays in production are also leading to higher backlogs in the Company's Access Equipment, Fire & Emergency and Commercial segments.

Reported backlog excludes purchase options and announced orders for which definitive contracts have not been executed. Backlog information and comparisons thereof as of different dates may not be accurate indicators of future sales or the ratio of the Company's future sales to the DoD versus its sales to other customers. Approximately 52% of the Company's March 31, 2022 backlog is not expected to be filled in fiscal 2022.

Non-GAAP Financial Measures

The Company is forecasting earnings per share excluding items that affect comparability. When the Company forecasts earnings per share, excluding items, these are considered non-GAAP financial measures. The Company believes excluding the impact of these items is useful to investors to allow a more accurate comparison of the Company's operating performance to prior year results. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's results prepared in accordance with GAAP. The table below presents a reconciliation of the Company's presented GAAP measures to the most directly comparable non-GAAP measures:

	Fiscal 2022 Expectations	
	Low	High
Earnings per share-diluted (GAAP)	$ 4.75	$ 5.75
Charge for anti-hybrid tax on prior period income	0.25	0.25
Adjusted earnings per share-diluted (non-GAAP)	$ 5.00	$ 6.00

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's quantitative and qualitative disclosures about market risk for changes in interest rates and commodity risk, which are incorporated by reference to Item 7A of the Company's Annual Report on Form 10-K for the year ended September 30, 2021, have not materially changed since that report was filed.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. In accordance with Rule 13a-15(b) of the Exchange Act, the Company's management evaluated, with the participation of the Company's President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of March 31, 2022. Based upon their evaluation of these disclosure controls and procedures, the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of March 31, 2022 to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the Securities and Exchange Commission rules and forms, and to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting. There were no changes in the Company's internal control over financial reporting that occurred during the three months ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II- OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

The Company's financial position, results of operations and cash flows are subject to various risks, many of which are not exclusively within the Company's control, which may cause actual performance to differ materially from historical or projected future performance. In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Item 1A. of our Annual Report on Form 10-K for the year ended September 30, 2021, which have not materially changed.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Common Stock Repurchases

The following table sets forth information with respect to purchases of Common Stock made by the Company or on the Company's behalf during the three months ended March 31, 2022:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs (1)
January 1- January 31	251,991	$ 119.07	251,991	4,916,572
February 1- February 28	221,116	$ 113.08	221,116	4,695,456
March 1- March 31	278,202	$ 107.85	278,202	4,417,254
Total	751,309		751,309	4,417,254

(1) In May 2019, the Company's Board of Directors approved a Common Stock repurchase authorization of 10,000,000 shares. The Company repurchased 751,309 shares of Common Stock under this authorization during the three months ended March 31, 2022 at a cost of $85.0 million. As of March 31, 2022, the Company has remaining authority to repurchase 4,417,254 shares of Common Stock. The Company can use this authorization at any time as there is no expiration date associated with the authorization. From time to time, the Company may enter into a Rule 10b5-1 trading plan for the purpose of repurchasing shares under this authorization.

The Company intends to declare and pay dividends on a regular basis. However, the payment of future dividends is at the discretion of the Company's Board of Directors and will depend upon, among other things, future earnings and cash flows, capital requirements, the Company's general financial condition, general business conditions and other factors.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 6. EXHIBITS

Exhibit No.	Description
4.1	Third Amended and Restated Credit Agreement, dated as of March 23, 2022, among Oshkosh Corporation, the various lenders and issuers party thereto, and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated March 23, 2022 (File No. 1-31371).
10.1	Form of Key Executive Employment and Severance Agreement between Oshkosh Corporation and Jay Iyengar (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2011 (File No. 1-31371)).*
10.2	Framework for Awards of Performance Shares based on ESG/DEI under the Oshkosh Corporation 2017 Incentive Stock and Awards Plan.*
10.3	Framework for Awards of Performance Shares based on Return on Invested Capital under the Oshkosh Corporation 2017 Incentive Stock and Awards Plan.*
31.1	Certification by the President and Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act, dated April 27, 2022.
31.2	Certification by the Executive Vice President and Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act, dated April 27, 2022.
32.1	Written Statement of the President and Chief Executive Officer, pursuant to 18 U.S.C. §1350, dated April 27, 2022.
32.2	Written Statement of the Executive Vice President and Chief Financial Officer, pursuant to 18 U.S.C. §1350, dated April 27, 2022.
101.INS	The instance document does not appear in the interactive data file because its XBRL (Extensible Business Reporting Language) tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Denotes a management contract or compensatory plan or arrangement.

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, thereunto duly authorized.

OSHKOSH CORPORATION

April 27, 2022	By	/s/ John C. Pfeifer
		John C. Pfeifer, President and Chief Executive Officer (Principal Executive Officer)
April 27, 2022	By	/s/ Michael E. Pack
		Michael E. Pack, Executive Vice President and Chief Financial Officer (Principal Financial Officer)
April 27, 2022	By	/s/ James C. Freeders
		James C. Freeders, Senior Vice President Finance and Controller (Principal Accounting Officer)

Exhibit 10.2

Framework for Awards of ESG/DEI-based Performance Shares

The following is the framework adopted by the Human Resources Committee (the "Committee") of the Board of Directors of Oshkosh Corporation (the "Company") for approving Awards of ESG/DEI-based Performance Shares under the Oshkosh Corporation 2017 Incentive Stock and Awards Plan (the "Plan") (capitalized terms used but not defined herein are used as defined in the Plan):

1. Participants; Performance Shares. As to each specific Award of Performance Shares, the Committee shall approve a list of Participants who will receive the number of Performance Shares listed opposite their names on such list.

2. Performance Goal(s); Award Calculation Schedule. The Performance Goal or Performance Goals applicable to each specific Award of Performance Shares and, if there is more than one Performance Goal, their respective weightings will be approved by the Committee at the time of the Awards and will be communicated to each Participant following such approval. The Committee will approve a schedule as to each specific Award of Performance Shares that will set forth different percentiles representing the extent to which the Performance Goal or Performance Goals applicable to the Award is achieved during a performance period of approximately three years to be designated by the Committee as to each specific Award of Performance Shares (the "Performance Period") and a corresponding percentage of Award shares earned at each percentile with interpolation between such percentiles on a straight-line basis. Each Performance Share represents the right to receive a number of Shares equal to the sum of the following for each Performance Goal applicable to the Award, with the result rounded up to the next whole Share: the product of (i) the decimal equivalent of the percentage of Award shares earned as reflected on such schedule (or such interpolated amount) based upon the extent to which the Performance Goal is achieved as reflected on such schedule, multiplied by (ii) the approved weighting of such Performance Goal if there is more than one Performance Goal. The Company will deliver the Shares earned to the Participant promptly after the determination of the number of Shares earned, but in no event later than March 15 of the calendar year following the last day of the Performance Period.

3. Termination of Employment; Change in Control.

a. If the employment of a Participant terminates due to Retirement, death or Disability after the completion of one complete calendar quarter of the Performance Period and prior to the end of the Performance Period and such termination occurs prior to a Change in Control, then the Participant will receive a number of Shares in respect of the Award equal to the product of (i) the number of Shares the Participant would have received had the Performance Period ended on the last day of the calendar quarter immediately preceding the date of termination, calculated as provided below, multiplied by (ii) a fraction the numerator of which is the number of days elapsed in the Performance Period prior to such termination and the denominator of which is the number of days in the full Performance Period. Such amount will be calculated and paid as promptly as practicable following the date of termination, recognizing that there may be a delay arising from the fact that the calculation may depend upon the availability of publicly-filed financial information, but in no event later than March 15 of the calendar year following the year in which the date of termination occurs. As to any Performance Goal that involves reaching an absolute numerical target over the Performance Period, rather than a measure of relative performance (e.g., comparative total shareholder return) or a measure of performance that can apply to a quarter in the same way that it applies to the full Performance Period (e.g., return on invested capital) (an "Absolute Performance Goal"), the amount described in clause (i) will be calculated by comparing actual performance through the calendar quarter immediately preceding the date of termination with an amount equal to the product of (A) the amount of the Performance Goal for the Performance Period divided by the number of quarters in the Performance Period multiplied by (B) the number of quarters elapsed in the Performance Period through the calendar quarter immediately preceding the date of termination.

b. The Participant will forfeit any rights under the Award in each of the following cases: (i) if the employment of a Participant terminates at any time prior to the commencement of the Performance Period; (ii) if the employment of a Participant terminates for reasons other than Retirement, death or Disability prior to the end of the Performance Period and such termination occurs prior to a Change in Control; or (iii) if the employment of a Participant terminates due to Retirement, death or Disability during the first calendar quarter of the Performance Period and such termination occurs prior to a Change in Control.

c. In the event of a Change in Control after commencement of the Performance Period and prior to the completion of one complete calendar quarter of the Performance Period (and prior to a termination to which 3.a or 3.b applies), a Participant will receive a number of Shares in respect of the Award equal to the product of (i) the number of Performance Shares awarded to the Participant in the Award, multiplied by (ii) a fraction the numerator of which is the number of days elapsed in the Performance Period prior to the Change in Control and the denominator of which is the number of days in the full Performance Period. The amount earned will be calculated and paid promptly following the date of the Change in Control. Notwithstanding the foregoing and 3.d, no acceleration of vesting, issuance of shares or other payment shall occur under the foregoing or under 3.d to the extent the Committee reasonably determines in good faith prior to the occurrence of a Change in Control that the Award shall be honored or assumed, or new rights substituted therefor (each such honored, assumed or substituted award hereinafter called an "Alternative Award"), by the Participant's employer (or the parent or a subsidiary of such employer) immediately following the Change in Control, provided that any such Alternative Award must satisfy the conditions set forth in Section 16(d) of the Plan.

d. In the event of a Change in Control after the completion of one complete calendar quarter of the Performance Period and prior to the end of the Performance Period (and prior to a termination to which 3.a or 3.b applies), a Participant will receive a number of Shares in respect of the Award equal to the product of (i) the greater of (A) the number of Shares the Participant would have received had the Performance Period ended on the last day of the calendar quarter immediately preceding the date of the Change in Control, calculated as provided below, or (B) the number of Performance Shares awarded to the Participant in the Award, multiplied by (ii) a fraction the numerator of which is the number of days elapsed in the Performance Period prior to the Change in Control and the denominator of which is the number of days in the full Performance Period. The amount earned will be calculated and paid promptly following the date of the Change in Control, recognizing that there may be a delay arising from the fact that the calculation may depend upon the availability of publicly-filed financial information regarding, but in no event later than March 15 of the calendar year following the year in which the Change in Control occurs. As to any Absolute Performance Goal, the amount described in clause (A) will be calculated by comparing actual performance through the calendar quarter immediately preceding the date of termination with an amount equal to the product of (1) the amount of the Performance Goal for the Performance Period divided by the number of quarters in the Performance Period multiplied by (2) the number of quarters elapsed in the Performance Period through the calendar quarter immediately preceding the date of termination.

e. In the event of a Change in Control after the end of the Performance Period and prior to the delivery of any Shares earned in respect of the Award, a Participant shall have the right to receive an amount of cash equal to the product of the number of Shares earned and the Change in Control Price.

4. No Dividends. Performance Shares as such will not entitle a Participant to receive dividend payments or dividend equivalent payments with respect to any Shares. However, at such time as the Company delivers Shares earned to a Participant, the Company will also deliver a number of Shares equal to the quotient obtained by dividing (a) the aggregate amount of cash dividends that the Company would have paid on the Shares earned over the course of the period commencing at the start of the Performance Period and ending on the date of delivery of the Shares earned had the Shares earned been outstanding on record dates for dividends during such period by (b) the Fair Market Value of the Shares on the date five business days prior to the date the Company delivers Shares earned to a Participant.

5. Tax Matters.

a. A Participant may defer the delivery of Shares that are issuable in respect of an Award pursuant to the Oshkosh Corporation Deferred Compensation Plan for Directors and Officers by delivering an election prior to the date the Award is approved.

b. To satisfy the federal, state and local withholding tax obligations of a Participant arising in connection with an Award, the Company will withhold Shares otherwise issuable under the Award having a Fair Market Value equal to the amount to be withheld. However, the amount to be withheld will not exceed the total minimum federal, state and local tax withholding obligations associated with the transaction. If the number of Shares to be withheld shall include a fractional share, then the number of Shares withheld shall be increased to the next higher whole number, and the Company shall deliver to the Participant cash in lieu of such fractional share representing such increase.

c. The Awards are intended to qualify as "performance based compensation" under Code Section 162(m).

6. Beneficiary. A Participant may from time to time designate in writing, in a manner acceptable to the Company, a beneficiary to receive payment under the Award after the Participant's death.

7. Award Agreement. This framework constitutes an award agreement relating to the Awards for purposes of the Plan.

Exhibit 10.3

Framework for Awards of ROIC-based Performance Shares

The following is the framework adopted by the Human Resources Committee (the “Committee”) of the Board of Directors of Oshkosh Corporation (the “Company”) for approving Awards of ROIC-based Performance Shares under the Oshkosh Corporation 2017 Incentive Stock and Awards Plan (the “Plan”) (capitalized terms used but not defined herein are used as defined in the Plan):

1. Participants; Performance Shares. As to each specific Award of Performance Shares, the Committee shall approve a list of Participants who will receive the number of Performance Shares listed opposite their names on such list.

2. Award Calculation Schedule. The Committee will approve a schedule as to each specific Award of Performance Shares that will set forth different percentiles representing the extent to which the Performance Goal applicable to the Award is achieved and a corresponding percentage of Award shares earned at each percentile with interpolation between such percentiles on a straight-line basis. Each Performance Share represents the right to receive a number of Shares equal to the decimal equivalent of the percentage of Award shares earned as reflected on such schedule (or such interpolated amount) based upon the extent to which the Performance Goal is achieved as reflected on such schedule, rounded up to the next whole Share.

3. Performance Goal. The Performance Goal applicable to the Awards is return on invested capital, which equals the total ROIC Net Income (as defined below) for each of the eleven or twelve calendar quarters (as designated by the Committee as to each specific Award of Performance Shares) ended September 30 of the fiscal year that is the last year of the Performance Period (as defined below) divided by the sum of total debt plus shareholders' equity as of the last day of the same calendar quarters and the immediately preceding calendar quarter (“ROIC”), for the Company, on the one hand, and for the group of comparator companies reflected on a schedule to be approved by the Committee as to each specific Award of Performance Shares at the time of the Awards (omitting for this purpose any company for which public financial information is not filed with the SEC through the Performance Period) (the “Benchmark Companies”), on the other hand, for a performance period of approximately three years to be designated by the Committee as to each specific Award of Performance Shares (the “Performance Period”).

   a. “ROIC Net Income” shall mean net income before extraordinary items, nonrecurring gains and losses, discontinued operations and accounting changes plus the after tax cost of interest expense, all as reflected in publicly-filed financial statements.

   b. The extent to which the Performance Goal is achieved will be determined by computing ROIC for each of the Benchmark Companies, ordering the Benchmark Companies from lowest to highest based upon their respective ROIC and determining how ROIC for the Company compares on a percentile basis. For this purpose, ROIC for the Company will equal or exceed a percentile only if it equals or exceeds the lowest

ROIC for a Benchmark Company that falls at or above the percentile. How ROIC for the Shares compares on a percentile basis will then be applied to the award calculation schedule that the Committee approved to determine the number of Shares earned. Determinations will be made in a manner acceptable to the Committee and certified in a manner that complies with Code Section 162(m). The Company will deliver the Shares earned to the Participant promptly after the determination of the number of Shares earned, but in no event later than March 15 of the calendar year following the last day of the Performance Period.

4. Termination of Employment; Change in Control.

a. If the employment of a Participant terminates due to Retirement, death or Disability after the completion of one complete calendar quarter of the Performance Period and prior to the end of the Performance Period and such termination occurs prior to a Change in Control, then the Participant will receive a number of Shares in respect of the Award equal to the product of (i) the number of Shares the Participant would have received had the Performance Period ended on the last day of the calendar quarter immediately preceding the date of termination, calculated as provided below, multiplied by (ii) a fraction the numerator of which is the number of days elapsed in the Performance Period prior to such termination and the denominator of which is the number of days in the full Performance Period. Such amount will be calculated and paid as promptly as practicable following the date of termination, recognizing that there is a delay arising from the fact that the calculation depends upon the availability of publicly-filed financial information regarding the Benchmark Companies, but in no event later than March 15 of the calendar year following the year in which the date of termination occurs.

b. The Participant will forfeit any rights under the Award in each of the following cases: (i) if the employment of a Participant terminates at any time prior to the commencement of the Performance Period; (ii) if the employment of a Participant terminates for reasons other than Retirement, death or Disability prior to the end of the Performance Period and such termination occurs prior to a Change in Control; or (iii) if the employment of a Participant terminates due to Retirement, death or Disability during the first calendar quarter of the Performance Period and such termination occurs prior to a Change in Control.

c. In the event of a Change in Control after commencement of the Performance Period and prior to the completion of one complete calendar quarter of the Performance Period (and prior to a termination to which 4.a or 4.b applies), a Participant will receive a number of Shares in respect of the Award equal to the product of (i) the number of Performance Shares awarded to the Participant in the Award, multiplied by (ii) a fraction the numerator of which is the number of days elapsed in the Performance Period prior to the Change in Control and the denominator of which is the number of days in the full Performance Period. The amount earned will be calculated and paid promptly following the date of the Change in Control. Notwithstanding the foregoing and 4.d, no acceleration of vesting, issuance of shares or other payment shall occur under the foregoing or under 4.d to the extent the Committee reasonably determines in good faith prior to the occurrence of a Change in Control that the Award shall be honored or assumed, or new rights substituted therefor (each such honored, assumed or substituted award hereinafter called an "Alternative Award"), by the Participant's employer (or the parent or a subsidiary of such employer) immediately following the Change in Control, provided that any such Alternative Award must satisfy the conditions set forth in Section 16(d) of the Plan.

d. In the event of a Change in Control after the completion of one complete calendar quarter of the Performance Period and prior to the end of the Performance Period (and prior to a termination to which 4.a or 4.b applies), a Participant will receive a number of Shares in respect of the Award equal to the product of (i) the greater of (A) the number of Shares the Participant would have received had the Performance Period ended on the last day of the calendar quarter immediately preceding the date of the Change in Control, calculated as provided below, or (B) the number of Performance Shares awarded to the Participant in the Award, multiplied by (ii) a fraction the numerator of which is the number of days elapsed in the Performance Period prior to the Change in Control and the denominator of which is the number of days in the full Performance Period. The amount earned will be calculated and paid promptly following the date of the Change in Control, recognizing that there is a delay arising from the fact that the calculation depends upon the availability of publicly-filed financial information regarding the Benchmark Companies, but in no event later than March 15 of the calendar year following the year in which the Change in Control occurs.

e. The number of Shares the Participant would have received had the Performance Period ended on the last day of the calendar quarter immediately preceding the date of termination or the date of the Change in Control, as the case may be (the “Last Day”), shall equal the total ROIC Net Income for each of the calendar quarters in the Performance Period that end prior to or on the Last Day divided by the sum of total debt plus shareholders' equity as of the last day of the same calendar quarters and the immediately preceding calendar quarter.

f. In the event of a Change in Control after the end of the Performance Period and prior to the delivery of any Shares earned in respect of the Award, a Participant shall have the right to receive an amount of cash equal to the product of the number of Shares earned and the Change in Control Price.

5. <u>No Dividends</u>. Performance Shares as such will not entitle a Participant to receive dividend payments or dividend equivalent payments with respect to any Shares. However, at such time as the Company delivers Shares earned to a Participant, the Company will also deliver a number of Shares equal to the quotient obtained by dividing (a) the aggregate amount of cash dividends that the Company would have paid on the Shares earned over the course of the period commencing at the start of the Performance Period and ending on the date of delivery of the Shares earned had the Shares earned been outstanding on record dates for dividends during such period by (b) the Fair Market Value of the Shares on the date five business days prior to the date the Company delivers Shares earned to a Participant.

6. Tax Matters.

a. A Participant may defer the delivery of Shares that are issuable in respect of an Award pursuant to the Oshkosh Corporation Deferred Compensation Plan for Directors and Officers by delivering an election prior to the date the Award is approved.

b. To satisfy the federal, state and local withholding tax obligations of a Participant arising in connection with an Award, the Company will withhold Shares otherwise issuable under the Award having a Fair Market Value equal to the amount to be withheld. However, the amount to be withheld will not exceed the total minimum federal, state and local tax withholding obligations associated with the transaction. If the number of Shares to be withheld shall include a fractional share, then the number of Shares withheld shall be increased to the next higher whole number, and the Company shall deliver to the Participant cash in lieu of such fractional share representing such increase.

c. The Awards are intended to qualify as “performance based compensation” under Code Section 162(m).

7. Beneficiary. A Participant may from time to time designate in writing, in a manner acceptable to the Company, a beneficiary to receive payment under the Award after the Participant’s death.

8. Award Agreement. This framework constitutes an award agreement relating to the Awards for purposes of the Plan.

Exhibit 31.1

CERTIFICATIONS

I, John C. Pfeifer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oshkosh Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent period that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 27, 2022

/s/ John C. Pfeifer
John C. Pfeifer, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Michael E. Pack, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oshkosh Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent period that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 27, 2022

/s/ Michael E. Pack

Michael E. Pack, Executive Vice President and Chief Financial Officer

Exhibit 32.1

Written Statement of the President and Chief Executive Officer
Pursuant to 18 U.S.C. §1350

Solely for the purposes of complying with 18 U.S.C. §1350, I, the undersigned President and Chief Executive Officer of Oshkosh Corporation (the "Company"), hereby certify, to the best of my knowledge, that the Quarterly Report on Form 10-Q of the Company for the three months ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John C. Pfeifer

John C. Pfeifer
April 27, 2022

Exhibit 32.2

Written Statement of the Executive Vice President and Chief Financial Officer
Pursuant to 18 U.S.C. §1350

Solely for the purposes of complying with 18 U.S.C. §1350, I, the undersigned Executive Vice President and Chief Financial Officer of Oshkosh Corporation (the "Company"), hereby certify, to the best of my knowledge, that the Quarterly Report on Form 10-Q of the Company for the three months ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael E. Pack

Michael E. Pack
April 27, 2022