

Albany International Corp.
Consolidated Statements of Cash Flows
For the years ended December 31,
(in thousands)

	2018	2017	2016
Operating Activities			
Net income	\$83,019	\$32,585	\$52,812
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	68,800	61,517	58,106
Amortization	10,236	10,439	9,355
Change in other noncurrent liabilities	(5,479)	(10,145)	(5,232)
Change in deferred taxes and other liabilities	8,972	(1,264)	5,889
Provision for write-off of property, plant and equipment	3,707	2,870	2,778
Non-cash interest expense	459	660	564
Write-off of pension liability adjustment due to settlement/curtailment	1,494	-	51
Compensation and benefits paid or payable in Class A Common Stock	2,203	2,133	2,433
Write-off of intangible assets in a discontinued product line	-	4,149	-
Changes in operating assets and liabilities that provided/(used) cash, net of impact of business acquisition:			
Accounts receivable	(19,139)	(21,859)	(12,697)
Contract assets	(10,267)	-	-
Inventories	(968)	3,090	(12,520)
Prepaid expenses and other current assets	(5,815)	(4,989)	(2,595)
Income taxes prepaid and receivable	(1,402)	(941)	(2,206)
Noncurrent receivable	(12,249)	(18,766)	(14,045)
Accounts payable	9,340	2,910	2,108
Accrued liabilities	8,209	5,303	1,312
Income taxes payable	(824)	(799)	1,398
Other, net	(7,811)	(2,677)	(6,571)
Net cash provided by operating activities	132,485	64,216	80,940
Investing Activities			
Purchase of business, net of cash acquired	-	-	(187,000)
Purchases of property, plant and equipment	(81,579)	(85,510)	(71,244)
Purchased software	(1,307)	(2,127)	(2,248)
Proceeds from sale or involuntary conversion of assets	-	-	6,939
Net cash used in investing activities	(82,886)	(87,637)	(253,553)
Financing Activities			
Proceeds from borrowings	26,031	115,334	235,907
Principal payments on debt	(29,913)	(84,047)	(34,356)
Debt acquisition costs	-	(2,130)	(1,771)
Cash received/(paid) to settle swap agreements	-	6,346	(5,175)
Proceeds from options exercised	202	597	517
Taxes paid in lieu of share issuance	(1,652)	(1,364)	(1,272)
Dividends paid	(21,926)	(21,869)	(21,812)
Net cash (used in)/provided by financing activities	(27,258)	12,867	172,038
Effect of exchange rate changes on cash and cash equivalents	(8,313)	12,539	(2,796)
Increase/(decrease) in cash and cash equivalents	14,028	1,985	(3,371)
Cash and cash equivalents at beginning of year	183,727	181,742	185,113
Cash and cash equivalents at end of year	\$197,755	\$183,727	\$181,742

The accompanying notes are an integral part of the consolidated financial statements.