

FLOWSERVE CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31,		
	2018	2017	2016
	(Amounts in thousands, except per share data)		
Sales	\$ 3,832,666	\$ 3,660,831	\$ 3,990,487
Cost of sales	(2,644,830)	(2,571,878)	(2,753,689)
Gross profit	1,187,836	1,088,953	1,236,798
Selling, general and administrative expense	(943,714)	(901,727)	(965,376)
(Loss) gain on sale of businesses	(7,727)	141,317	(7,664)
Net earnings from affiliates	11,143	12,592	12,926
Operating income	247,538	341,135	276,684
Interest expense	(58,160)	(59,730)	(60,137)
Interest income	6,465	3,429	2,804
Other expense, net	(19,569)	(21,827)	(6,439)
Earnings before income taxes	176,274	263,007	212,912
Provision for income taxes	(51,224)	(258,679)	(77,380)
Net earnings, including noncontrolling interests	125,050	4,328	135,532
Less: Net earnings attributable to noncontrolling interests	(5,379)	(1,676)	(3,077)
Net earnings attributable to Flowserve Corporation	\$ 119,671	\$ 2,652	\$ 132,455
Net earnings per share attributable to Flowserve Corporation common shareholders:			
Basic	\$ 0.91	\$ 0.02	\$ 1.02
Diluted	0.91	0.02	1.01

See accompanying notes to consolidated financial statements.