

Carlisle Companies Incorporated
Consolidated Statements of Income and Comprehensive Income

<i>(in millions, except per share amounts)</i>	Years Ended December 31,		
	2019	2018	2017
Revenues	\$ 4,811.6	\$ 4,479.5	\$ 3,750.8
Cost of goods sold	3,439.9	3,304.8	2,702.5
Selling and administrative expenses	667.1	625.4	532.9
Research and development expenses	60.9	55.1	51.3
Other operating (income) expense, net	(10.5)	(14.8)	0.1
Operating income	654.2	509.0	464.0
Interest expense, net	66.1	64.7	34.0
Interest income	(7.9)	(11.2)	(0.5)
Other non-operating expense, net	0.7	9.6	1.5
Income from continuing operations before income taxes	595.3	445.9	429.0
Provision for income taxes	121.6	87.3	88.4
Income from continuing operations	473.7	358.6	340.6
Discontinued operations:			
(Loss) income before income taxes	(1.8)	300.1	39.6
(Benefit from) provision for income taxes	(0.9)	47.6	14.7
(Loss) income from discontinued operations	(0.9)	252.5	24.9
Net income	\$ 472.8	\$ 611.1	\$ 365.5
Basic earnings per share attributable to common shares:			
Income from continuing operations	\$ 8.30	\$ 5.92	\$ 5.36
(Loss) income from discontinued operations	(0.02)	4.17	0.39
Basic earnings per share	\$ 8.28	\$ 10.09	\$ 5.75
Diluted earnings per share attributable to common shares:			
Income from continuing operations	\$ 8.21	\$ 5.88	\$ 5.32
(Loss) income from discontinued operations	(0.02)	4.14	0.39
Diluted earnings per share	\$ 8.19	\$ 10.02	\$ 5.71
Average shares outstanding (in thousands):			
Basic	56,913	60,393	63,073
Diluted	57,547	60,786	63,551
Comprehensive income:			
Net income	\$ 472.8	\$ 611.1	\$ 365.5
Other comprehensive (loss) income:			
Foreign currency (losses) gains	(2.1)	(30.3)	46.6
Amortization of unrecognized net periodic benefit costs, net of tax	(2.0)	(0.4)	(5.2)
Other, net of tax	2.1	0.8	(4.9)
Other comprehensive (loss) income	(2.0)	(29.9)	36.5
Comprehensive income	\$ 470.8	\$ 581.2	\$ 402.0

See accompanying Notes to Consolidated Financial Statements

Carlisle Companies Incorporated
Consolidated Balance Sheets

(in millions, except share and per share amounts)

	December 31, 2019	December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 351.2	\$ 803.6
Receivables, net	783.0	698.3
Inventories, net	510.6	457.5
Prepaid expenses	30.5	22.0
Other current assets	76.7	75.3
Total current assets	1,752.0	2,056.7
Property, plant and equipment, net	783.5	760.1
Goodwill, net	1,716.3	1,441.8
Other intangible assets, net	1,140.6	967.7
Other long-term assets	103.6	22.9
Total assets	\$ 5,496.0	\$ 5,249.2
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 327.3	\$ 312.1
Accrued and other current liabilities	294.5	258.0
Current portion of debt	250.2	—
Deferred revenue	27.0	25.5
Total current liabilities	899.0	595.6
Long-term liabilities:		
Long-term debt, less current portion	1,341.4	1,587.8
Deferred revenue	220.4	201.9
Other long-term liabilities	392.4	266.5
Total long-term liabilities	1,954.2	2,056.2
Commitments and contingencies (see Note 17)		
Shareholders' equity:		
Preferred stock, \$1 par value per share (5,000,000 shares authorized and unissued)	—	—
Common stock, \$1 par value per share 200,000,000 shares authorized; 55,692,544 and 57,957,912 shares outstanding, respectively)	78.7	78.7
Additional paid-in capital	413.7	383.8
Deferred compensation equity	2.9	8.0
Treasury shares, at cost (22,795,428 and 20,534,652 shares, respectively)	(1,449.7)	(1,102.4)
Accumulated other comprehensive loss	(124.1)	(122.1)
Retained earnings	3,721.3	3,351.4
Total shareholders' equity	2,642.8	2,597.4
Total liabilities and equity	\$ 5,496.0	\$ 5,249.2

See accompanying Notes to Consolidated Financial Statements

Carlisle Companies Incorporated
Consolidated Statements of Cash Flows

(in millions)	Years Ended December 31,		
	2019	2018	2017
Operating activities:			
Net income	\$ 472.8	\$ 611.1	\$ 365.5
Reconciliation of net income to cash flows provided by operating activities:			
Depreciation	88.4	86.4	84.9
Amortization	117.0	104.2	84.2
Lease expense	27.5	—	—
Stock-based compensation, net of tax benefit	26.1	23.9	13.2
Deferred taxes	(8.9)	(0.8)	(58.5)
Gain on sale of discontinued operations, net of tax	—	(250.4)	—
Other operating activities, net	5.4	(18.8)	13.9
Changes in assets and liabilities, excluding effects of acquisitions:			
Receivables	(25.7)	(54.5)	(53.9)
Inventories	(1.9)	(29.0)	(48.5)
Prepaid expenses and other assets	(3.6)	(2.0)	(20.1)
Accounts payable	16.5	(39.5)	42.7
Accrued expenses	5.2	(99.9)	20.6
Deferred revenues	18.5	11.8	19.3
Other long-term liabilities	(34.2)	(3.3)	(4.6)
Net cash provided by operating activities	703.1	339.2	458.7
Investing activities:			
Acquisitions, net of cash acquired	(616.4)	(19.5)	(934.3)
Capital expenditures	(88.9)	(120.7)	(159.9)
Proceed from sale of discontinued operation	—	758.0	—
Other investing activities, net	10.4	11.4	(0.1)
Net cash (used in) provided by investing activities	(694.9)	629.2	(1,094.3)
Financing activities:			
Proceeds from revolving credit facility	—	—	1,189.0
Repayments of revolving credit facility	—	—	(1,189.0)
Proceeds from notes	—	—	997.2
Repurchases of common stock	(382.1)	(459.8)	(268.4)
Dividends paid	(102.9)	(93.5)	(92.1)
Financing costs	—	—	(8.3)
Proceeds from exercise of stock options	37.0	22.7	8.4
Withholding tax paid related to stock-based compensation	(10.4)	(10.1)	(9.6)
Other financing activities, net	(2.8)	—	—
Net cash (used in) provided by financing activities	(461.2)	(540.7)	627.2
Effect of foreign currency exchange rate changes on cash and cash equivalents	0.6	(1.1)	2.7
Change in cash and cash equivalents	(452.4)	426.6	(5.7)
Less: change in cash and cash equivalents of discontinued operations	—	1.3	1.0
Cash and cash equivalents at beginning of period	803.6	378.3	385.0
Cash and cash equivalents at end of period	\$ 351.2	\$ 803.6	\$ 378.3

See accompanying Notes to Consolidated Financial Statements