Carlisle Companies Incorporated Consolidated Statements of Income and Comprehensive Income

Revenues 2018 2017 2016 Revenues \$ 4.479.5 \$ 3.750.8 \$ 3.425.2 Cost of goods sold 3.304.8 2.702.5 2.338.8 Selling and administrative expenses 625.4 532.9 495.4 Research and development expenses 625.1 61.3 45.4 Research and development expenses 65.5 61.3 45.4 Impairment Changas		Years Ended December 31,					
Sealing and administrative expenses S254 S329 495.4	(in millions, except per share amounts)						2016
Selling and administrative expenses 626.4 532.9 495.4 Research and development expenses 55.1 51.3 45.4 Inpairment charges — — — 141.5 Other operating (income) expense, net (14.8) 0.1 (0.1) Operating income 508.0 484.0 404.2 Interest expense, net 508.0 1.5 (5.8) Other non-operating (income) expense, net 9.6 1.5 (5.8) Income from continuing operations before income taxes 445.9 429.0 379.2 Provision for income taxes 87.3 38.4 148.1 Income from continuing operations 358.6 340.6 231.1 Discontinued operations 300.1 39.6 30.2 Provision for income taxes 300.1 39.6 30.2 Income from discontinued operations 252.5 24.9 19.0 Net income \$ 5.92 5.36 3.57 Income from continuing operations \$ 5.92 5.36 3.57 In	Revenues	\$	4,479.5	\$	3,750.8	\$	3,425.2
Research and development expenses 55.1 51.3 45.4 Impairment charges — — — — — — — — — — — — — — — — — —	Cost of goods sold		3,304.8		2,702.5		2,338.8
Impairment charges	Selling and administrative expenses		625.4		532.9		495.4
Other operating (income) expense, net (14.8) 0.1 (0.1) Operating income 509.0 484.0 404.2 Interest expense, net 53.5 33.5 30.6 Other non-operating (income) expense, net 9.6 1.5 (5.6) Income from continuing operations before income taxes 445.9 429.0 379.2 Provision for income taxes 87.3 88.4 148.1 Income from continuing operations 358.6 340.6 231.1 Discontinued operations: 148.1 Income before income taxes 300.1 39.6 30.2 Provision for income taxes 47.6 14.7 11.2 Income from discontinued operations 252.5 24.9 19.0 Net income \$ 611.1 365.5 \$ 250.1 Basic earnings per share attributable to common shares: Income from discontinued operations \$ 5.92 \$ 5.36 \$ 3.57 Income from discontinued operations \$ 10.09 \$ 5.75 <t< td=""><td>Research and development expenses</td><td></td><td>55.1</td><td></td><td>51.3</td><td></td><td>45.4</td></t<>	Research and development expenses		55.1		51.3		45.4
Discontinued perations Son	Impairment charges		_		_		141.5
Interest expense, net	Other operating (income) expense, net		(14.8)		0.1		(0.1)
Other non-operating (income) expense, net 9.6 1.5 (5.6) Income from continuing operations before income taxes 445.9 429.0 379.2 Provision for income taxes 87.3 88.4 148.1 Income from continuing operations 358.6 340.6 231.1 Discontinued operations: Income before income taxes 300.1 39.6 30.2 Provision for income taxes 47.6 14.7 11.2 Income from discontinued operations 252.5 24.9 19.0 Net income \$ 611.1 365.5 250.1 Basic earnings per share attributable to common shares: Income from discontinued operations \$ 5.92 \$ 5.36 \$ 3.57 Income from discontinued operations \$ 10.09 \$ 5.75 \$ 3.86 Diluted earnings per share attributable to common shares: <td< td=""><td>Operating income</td><td></td><td>509.0</td><td></td><td>464.0</td><td></td><td>404.2</td></td<>	Operating income		509.0		464.0		404.2
Income from continuing operations before income taxes	Interest expense, net		53.5		33.5		30.6
Provision for income taxes 87.3 88.4 148.1 Income from continuing operations 358.6 340.6 231.1 Discontinued operations: Income before income taxes 300.1 39.6 30.2 Provision for income taxes 47.6 14.7 11.2 Income from discontinued operations 252.5 24.9 19.0 Net income \$ 611.1 \$ 365.5 \$ 250.1 Basic earnings per share attributable to common shares: Income from continuing operations 4.17 0.39 0.29 Basic earnings per share attributable to common shares: Income from continuing operations 4.17 0.39 0.29 Basic earnings per share attributable to common shares: Income from continuing operations 4.14 0.39 0.29 Diluted earnings per share attributable to common shares: Income from discontinued operations 4.14 0.39 0.29 Diluted earnings per share attributable to common shares: Income from discontinued operations 4.14 0.39 0.29 Diluted earnings per share 6.03 5.88 5.32 3.53 <td>Other non-operating (income) expense, net</td> <td></td> <td>9.6</td> <td></td> <td>1.5</td> <td></td> <td>(5.6)</td>	Other non-operating (income) expense, net		9.6		1.5		(5.6)
Income from continuing operations 358.6 340.6 231.1	Income from continuing operations before income taxes		445.9		429.0		379.2
Discontinued operations:	Provision for income taxes		87.3		88.4		148.1
Income before income taxes 300.1 39.6 30.2 Provision for income taxes 47.6 14.7 11.2 Income from discontinued operations 252.5 24.9 19.0 Net income \$611.1 \$365.5 \$250.1 Basic earnings per share attributable to common shares:	Income from continuing operations		358.6		340.6		231.1
Provision for income taxes 47.6 14.7 11.2 Income from discontinued operations 252.5 24.9 19.0 Net income \$ 611.1 \$ 365.5 \$ 250.1 Basic earnings per share attributable to common shares: Income from continuing operations \$ 5.92 \$ 5.36 \$ 3.57 Income from discontinued operations 4.17 0.39 0.29 Basic earnings per share \$ 10.09 \$ 5.75 \$ 3.86 Diluted earnings per share attributable to common shares: Income from continuing operations 4.14 0.39 0.29 Basic earnings per share attributable to common shares: Income from discontinued operations \$ 5.88 \$ 5.32 \$ 3.53 Income from discontinued operations 4.14 0.39 0.29 Diluted earnings per share \$ 10.02 \$ 5.71 \$ 3.82 Average shares outstanding (in thousands): Easic 60.393 63,073 64,226 Diluted 60.786 63,551 64,883 Comprehensive income: Income from continu	Discontinued operations:						
Income from discontinued operations 252.5 24.9 19.0	Income before income taxes		300.1		39.6		30.2
Net income \$ 611.1 \$ 365.5 \$ 250.1 Basic earnings per share attributable to common shares: Income from continuing operations \$ 5.92 \$ 5.36 \$ 3.57 Income from discontinued operations 4.17 0.39 0.29 Basic earnings per share \$ 10.09 \$ 5.75 \$ 3.86 Diluted earnings per share attributable to common shares: Income from continuing operations \$ 5.88 \$ 5.32 \$ 3.53 Income from discontinued operations 4.14 0.39 0.29 Diluted earnings per share \$ 10.02 \$ 5.71 \$ 3.82 Average shares outstanding (in thousands): 8 60,393 63,073 64,226 Diluted 60,786 63,551 64,883 Comprehensive income: 8 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss)	Provision for income taxes		47.6		14.7		11.2
Net income \$ 611.1 \$ 365.5 \$ 250.1 Basic earnings per share attributable to common shares: Income from continuing operations \$ 5.92 \$ 5.36 \$ 3.57 Income from discontinued operations 4.17 0.39 0.29 Basic earnings per share \$ 10.09 \$ 5.75 \$ 3.86 Diluted earnings per share attributable to common shares: Income from continuing operations \$ 5.88 \$ 5.32 \$ 3.53 Income from discontinued operations 4.14 0.39 0.29 Diluted earnings per share \$ 10.02 \$ 5.71 \$ 3.82 Average shares outstanding (in thousands): 8 60,393 63,073 64,226 Diluted 60,786 63,551 64,883 Comprehensive income: \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): \$ 611.1 \$ 365.5 \$ 250.1 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Income from discontinued operations		252.5		24.9		19.0
Income from continuing operations \$ 5.92		\$	611.1	\$	365.5	\$	250.1
Income from continuing operations \$ 5.92	Rasic earnings per chare attributable to common chares:						
Income from discontinued operations		\$	5 92	\$	5 36	\$	3 57
Diluted earnings per share attributable to common shares: Income from continuing operations		Ψ		Ψ		Ψ	
Diluted earnings per share attributable to common shares: Income from continuing operations \$ 5.88 \$ 5.32 \$ 3.53 Income from discontinued operations 4.14 0.39 0.29 Diluted earnings per share \$ 10.02 \$ 5.71 \$ 3.82 Average shares outstanding (in thousands): 8 8 63,073 64,226 Diluted 60,393 63,073 64,226 Diluted 60,786 63,551 64,883 Comprehensive income: Net income \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): \$ (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)		<u> </u>		•		•	
Income from continuing operations	Dasic earnings per snare	<u>Φ</u>	10.09	Ψ	3.73	φ	3.00
Income from discontinued operations 4.14 0.39 0.29 Diluted earnings per share \$ 10.02 \$ 5.71 \$ 3.82 Average shares outstanding (in thousands): 60,393 63,073 64,226 Diluted 60,786 63,551 64,883 Comprehensive income: \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)							
Diluted earnings per share \$ 10.02 \$ 5.71 \$ 3.82 Average shares outstanding (in thousands): 60,393 63,073 64,226 Diluted 60,786 63,551 64,883 Comprehensive income: Net income \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): Toreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	• .	\$	5.88	\$	5.32	\$	
Average shares outstanding (in thousands): Basic 60,393 63,073 64,226 Diluted 60,786 63,551 64,883 Comprehensive income: Net income \$611.1 \$365.5 \$250.1 Other comprehensive income (loss): Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Income from discontinued operations		4.14		0.39		0.29
Basic 60,393 63,073 64,226 Diluted 60,786 63,551 64,883 Comprehensive income: Net income Other comprehensive income (loss): Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Diluted earnings per share	\$	10.02	\$	5.71	\$	3.82
Diluted 60,786 63,551 64,883 Comprehensive income: Net income \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Average shares outstanding (in thousands):						
Comprehensive income: Net income \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Basic		60,393		63,073		64,226
Net income \$ 611.1 \$ 365.5 \$ 250.1 Other comprehensive income (loss): Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Diluted		60,786		63,551		64,883
Other comprehensive income (loss): Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Comprehensive income:						
Other comprehensive income (loss): Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	Net income	\$	611.1	\$	365.5	\$	250.1
Foreign currency (losses) gains (30.3) 46.6 (36.7) Amortization of unrecognized net periodic benefit costs, net of tax (0.4) (5.2) 1.0 Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)							
Amortization of unrecognized net periodic benefit costs, net of tax(0.4)(5.2)1.0Other, net of tax0.8(4.9)0.6Other comprehensive income (loss)(29.9)36.5(35.1)	Foreign currency (losses) gains		(30.3)		46.6		(36.7)
Other, net of tax 0.8 (4.9) 0.6 Other comprehensive income (loss) (29.9) 36.5 (35.1)	- , , , ,				(5.2)		
Other comprehensive income (loss) (29.9) 36.5 (35.1)	Other, net of tax		, ,				0.6
	Other comprehensive income (loss)		(29.9)				(35.1)
		\$		\$		\$	<u> </u>

See accompanying Notes to Consolidated Financial Statements

Carlisle Companies Incorporated Consolidated Balance Sheets

(in millions, except share and per share amounts)	Dece	ember 31, 2018	Dece	December 31, 2017	
ASSETS					
Current assets:					
Cash and cash equivalents	\$	803.6	\$	378.3	
Receivables, net		698.3		625.7	
Inventories, net		457.5		448.8	
Prepaid expenses		22.0		21.7	
Other current assets		75.3		73.6	
Discontinued operations				96.5	
Total current assets		2,056.7		1,644.6	
Property, plant and equipment, net		760.1		731.1	
Goodwill, net		1,441.8		1,452.1	
Other intangible assets, net		967.7		1,065.0	
Other long-term assets		22.9		34.9	
Discontinued operations				372.1	
Total assets	\$	5,249.2	\$	5,299.8	
LIABILITIES AND EQUITY					
Current liabilities:					
Accounts payable	\$	312.1	\$	332.1	
Accrued expenses	Ψ	258.0	Ψ	257.8	
Deferred revenue		25.5		27.8	
Discontinued operations		20.0		40.9	
Total current liabilities		595.6	_	658.6	
Total current liabilities		<u> </u>		030.0	
Long-term liabilities:					
Long-term debt		1,587.8		1,586.2	
Deferred revenue		201.9		188.0	
Other long-term liabilities		266.5		288.7	
Discontinued operations				50.0	
Total long-term liabilities		2,056.2		2,112.9	
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; 57,957,912 and		_		_	
61,839,734 shares outstanding, respectively)		78.7		78.7	
Additional paid-in capital		383.8		353.7	
Deferred compensation equity		8.0		10.4	
Treasury shares, at cost (20,534,652 and 16,613,193 shares, respectively) Accumulated other comprehensive loss		(1,102.4) (122.1)		(649.6) (85.7)	
Retained earnings		3,351.4		2,820.8	
Total shareholders' equity		2,597.4		2,528.3	
	Φ		<u></u>	·	
Total liabilities and equity	\$	5,249.2	\$	5,299.8	

Carlisle Companies Incorporated Consolidated Statements of Cash Flows

	Years Ended December 31,						
(in millions)	2018			2017		2016	
Operating activities:							
Net income	\$	611.1	\$	365.5	\$	250.1	
Reconciliation of net income to cash flows provided by operating activities:							
Depreciation		86.4		84.9		75.1	
Amortization		104.2		84.2		62.7	
Impairment charges		_		_		141.5	
Stock-based compensation, net of tax benefit		23.9		13.2		(2.6)	
Deferred taxes		(8.0)		(58.5)		(25.0)	
Gain on sale of discontinued operations, net of tax		(250.4)		_		_	
Other operating activities, net		(18.8)		13.9		(6.0)	
Changes in assets and liabilities, excluding effects of acquisitions:							
Receivables		(54.5)		(53.9)		0.3	
Inventories		(29.0)		(48.5)		(12.2)	
Prepaid expenses and other assets		(2.0)		(20.1)		(9.2)	
Accounts payable		(39.5)		42.7		21.6	
Accrued expenses		(99.9)		20.6		23.1	
Deferred revenues		11.8		19.3		11.7	
Other long-term liabilities		(3.3)		(4.6)		0.1	
Net cash provided by operating activities	-	339.2	-	458.7		531.2	
Not dust provided by operating detivities		000.2		400.1		001.2	
Investing activities:							
Proceeds from sale of discontinued operation		758.0		_		_	
Acquisitions, net of cash acquired		(19.5)		(934.3)		(185.5)	
Capital expenditures		(120.7)		(159.9)		(108.8)	
Other investing activities, net		11.4		(0.1)		0.9	
Net cash provided by (used in) investing activities		629.2		(1,094.3)		(293.4)	
			,	•			
Financing activities:							
Proceeds from revolving credit facility		_		1,189.0		_	
Repayments of revolving credit facility		_		(1,189.0)		_	
Proceeds from notes		_		997.2		_	
Repayments of notes		_		_		(150.0)	
Repurchases of common stock		(459.8)		(268.4)		(75.0)	
Dividends paid		(93.5)		(92.1)		(84.5)	
Financing costs		_		(8.3)		_	
Proceeds from exercise of stock options, net		12.6		(1.2)		48.4	
Net cash (used in) provided by financing activities		(540.7)		627.2		(261.1)	
Effect of foreign currency exchange rate changes on cash and cash							
equivalents		(1.1)		2.7		(2.1)	
Change in cash and cash equivalents		426.6		(5.7)		(25.4)	
Less: change in cash and cash equivalents of discontinued operations		1.3		1.0		0.3	
Cash and cash equivalents at beginning of period		378.3		385.0		410.7	
Cash and cash equivalents at end of period	\$	803.6	\$	378.3	\$	385.0	

See accompanying notes to Consolidated Financial Statements