

CONSOLIDATED BALANCE SHEETS
December 31
(In millions, except per share data)

Assets	2018	2017
Current assets:		
Cash and cash equivalents	\$ 178.8	\$ 218.4
Receivables, net	776.3	733.2
Income taxes receivable	5.9	16.9
Inventories, net	711.4	682.6
Other current assets	35.0	48.1
Total current assets	1,707.4	1,699.2
Property, plant and equipment, net	3,482.1	3,575.8
Deferred income taxes	26.3	36.4
Other assets	1,150.4	1,208.4
Intangible assets, net	511.6	578.5
Goodwill	2,119.6	2,120.0
Total assets	\$ 8,997.4	\$ 9,218.3
Liabilities and Shareholders' Equity		
Current liabilities:		
Current installments of long-term debt	\$ 125.9	\$ 0.7
Accounts payable	636.5	669.8
Income taxes payable	22.6	9.4
Accrued liabilities	333.3	274.4
Total current liabilities	1,118.3	954.3
Long-term debt	3,104.4	3,611.3
Accrued pension liability	674.3	635.9
Deferred income taxes	518.9	511.2
Other liabilities	749.3	751.9
Total liabilities	6,165.2	6,464.6
Commitments and contingencies		
Shareholders' equity:		
Common stock, par value \$1 per share:		
Authorized, 240.0 shares;		
Issued and outstanding, 165.3 shares (167.1 in 2017)	165.3	167.1
Additional paid-in capital	2,247.4	2,280.9
Accumulated other comprehensive loss	(651.0)	(484.6)
Retained earnings	1,070.5	790.3
Total shareholders' equity	2,832.2	2,753.7
Total liabilities and shareholders' equity	\$ 8,997.4	\$ 9,218.3

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

CONSOLIDATED STATEMENTS OF OPERATIONS
Years ended December 31
(In millions, except per share data)

	<i>2018</i>	<i>2017</i>	<i>2016</i>
Sales	\$ 6,946.1	\$ 6,268.4	\$ 5,550.6
Operating expenses:			
Cost of goods sold	5,822.1	5,554.9	4,944.5
Selling and administration	430.6	369.8	347.2
Restructuring charges	21.9	37.6	112.9
Acquisition-related costs	1.0	12.8	48.8
Other operating income	6.4	3.3	10.6
Operating income	676.9	296.6	107.8
Earnings (losses) of non-consolidated affiliates	(19.7)	1.8	1.7
Interest expense	243.2	217.4	191.9
Interest income	1.6	1.8	3.4
Non-operating pension income	21.7	34.4	44.8
Income (loss) before taxes	437.3	117.2	(34.2)
Income tax provision (benefit)	109.4	(432.3)	(30.3)
Net income (loss)	\$ 327.9	\$ 549.5	\$ (3.9)
Net income (loss) per common share:			
Basic	\$ 1.97	\$ 3.31	\$ (0.02)
Diluted	\$ 1.95	\$ 3.26	\$ (0.02)
Average common shares outstanding:			
Basic	166.8	166.2	165.2
Diluted	168.4	168.5	165.2

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CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31
(In millions)

	2018	2017	2016
Operating Activities			
Net income (loss)	\$ 327.9	\$ 549.5	\$ (3.9)
Adjustments to reconcile net income (loss) to net cash and cash equivalents provided by (used for) operating activities:			
Losses (earnings) of non-consolidated affiliates	19.7	(1.8)	(1.7)
Losses (gains) on disposition of property, plant and equipment	2.0	(3.1)	0.7
Stock-based compensation	12.0	9.1	7.5
Depreciation and amortization	601.4	558.9	533.5
Deferred income taxes	35.6	(452.7)	(32.7)
Write-off of equipment and facility included in restructuring charges	2.6	1.4	76.6
Qualified pension plan contributions	(2.6)	(1.7)	(7.3)
Qualified pension plan income	(15.0)	(26.9)	(37.5)
Change in assets and liabilities:			
Receivables	(46.3)	(49.9)	38.5
Income taxes receivable/payable	24.5	9.6	10.7
Inventories	(35.5)	(37.8)	23.9
Other current assets	0.2	(12.1)	20.9
Accounts payable and accrued liabilities	(14.5)	100.0	(13.1)
Other assets	(2.6)	5.8	(4.3)
Other noncurrent liabilities	4.3	(5.9)	(12.1)
Other operating activities	(5.9)	6.4	3.5
Net operating activities	907.8	648.8	603.2
Investing Activities			
Capital expenditures	(385.2)	(294.3)	(278.0)
Business acquired and related transactions, net of cash acquired	—	—	(69.5)
Payments under long-term supply contracts	—	(209.4)	(175.7)
Proceeds from sale/leaseback of equipment	—	—	40.4
Proceeds from disposition of property, plant and equipment	2.9	5.2	0.5
Proceeds from disposition of affiliated companies	—	—	8.8
Net investing activities	(382.3)	(498.5)	(473.5)
Financing Activities			
Long-term debt:			
Borrowings	570.0	2,035.5	230.0
Repayments	(946.1)	(2,037.9)	(435.3)
Common stock repurchased and retired	(50.0)	—	—
Stock options exercised	3.4	29.8	0.5
Excess tax benefits from stock-based compensation	—	—	0.4
Dividends paid	(133.6)	(133.0)	(132.1)
Debt issuance costs	(8.5)	(11.2)	(1.0)
Net financing activities	(564.8)	(116.8)	(337.5)
Effect of exchange rate changes on cash and cash equivalents	(0.3)	0.4	0.3
Net (decrease) increase in cash and cash equivalents	(39.6)	33.9	(207.5)
Cash and cash equivalents, beginning of year	218.4	184.5	392.0
Cash and cash equivalents, end of year	\$ 178.8	\$ 218.4	\$ 184.5
Cash paid for interest and income taxes:			
Interest, net	\$ 208.8	\$ 200.9	\$ 200.8
Income taxes, net of refunds	\$ 52.9	\$ 18.0	\$ (2.6)

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