SELECTED FINANCIAL DATA

Selected financial data for the Company for each of the last five years is shown in the following table, which is derived from and should be read in conjunction with the Consolidated Financial Statements included elsewhere in this report. Selected financial data reflecting the operations of acquired businesses is shown only for periods following the related acquisition.

SUMMARY OF FINANCIAL POSITION as of December 31,

(Dollars in thousands except per share data)

	2014	2013	2012	2011	2010
Total Assets	$ 238,110	$ 213,717	$ 197,153	$ 200,513	$ 195,980
Working Capital	98,673	77,091	59,058	70,518	49,469
Total Debt	10,338	10,535	12,057	11,833	13,067
Mestek Inc. Shareholders' Equity	152,669	136,544	119,095	129,429	122,709
Shareholders' Equity Per Common Share (1)	$ 20.38	$ 18.23	$ 15.90	$ 17.36	$16.24

SUMMARY OF OPERATIONS for the years ended December 31,

(Dollars in thousands except per share data)

	2014	2013	2012	2011	2010
Revenues from Continuing Operations	$ 345,464	$ 331,851	$ 299,347	$ 304,624	$ 280,863
Net Income from Continuing Operations attributable to Mestek	$ 17,370	$ 16,593	$ 12,478	$ 12,755	$ 8,642
Net Loss from Discontinued Operations	$ ---	$ ---	$ ---	$ (4,075)	$ (3,197)
Net Income	$ 17,370	$ 16,593	$ 12,478	$ 8,680	$ 5,445
Earnings per Common Share:					
Basic and Diluted Earnings per Common Share:					
Net Income from Continuing Operations	$ 2.32	$ 2.22	$ 1.67	$ 1.69	$ 1.09
Net Loss from Discontinued Operations	$ ---	$ ---	$ ---	$ (0.54)	$ (0.40)
Net Income	$ 2.32	$ 2.22	$ 1.67	$ 1.15	$ 0.69

(1) Equity per common share amounts are computed using the common shares outstanding as of December 31, 2014, 2013, 2012, 2011, and 2010.

MESTEK, INC.
CONSOLIDATED BALANCE SHEETS
As of December 31, 2014 and 2013

	2014	2013
	(Dollars in thousands)	
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 54,408	$ 36,508
Accounts Receivable - less allowances of $4,785 and $4,689, respectively	49,229	45,681
Inventories – net	46,767	40,008
Deferred Tax Assets	4,051	3,264
Other Current Assets	8,628	7,689
Total Current Assets	163,083	133,150
Property and Equipment – net	43,004	41,709
Property Held for Sale	2,327	2,707
Deferred Tax Assets	722	6,971
Other Assets – net	3,920	3,947
Goodwill	25,054	25,233
Total Assets	$ 238,110	$ 213,717
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current Portion of Long-Term Debt	$ 175	$ 175
Accounts Payable	12,776	12,335
Accrued Payroll and Related Expenses	17,171	15,583
Customer Deposits	14,796	8,472
Current Portion of Environmental Reserves	488	420
Warranty Reserve	3,458	3,299
Other Accrued Liabilities	15,546	15,775
Current Liabilities	64,410	56,059
Environmental Reserves – long term	7,308	8,046
Long-Term Debt	10,163	10,360
Other Liabilities	1,821	1,042
Total Liabilities	83,702	75,507
Commitments and Contingent Liabilities		
Shareholders' Equity:		
Controlling Interest:		
Common Stock, no par, stated value $0.05 per share, 20,000,000 shares authorized at December 31, 2014 and 2013; 8,368,726 shares issued at December 31, 2014 and 2013	417	417
Paid in Capital	5,054	4,924
Retained Earnings	158,629	141,259
Treasury Shares, at cost (878,010 common shares at December 31, 2014 and 2013, respectively)	(11,293)	(11,293)
Accumulated Other Comprehensive Income	(138)	1,237
Total Mestek, Inc. Shareholders' Equity	152,669	136,544
Non-controlling Interest	1,739	1,666
Total Shareholders' Equity	154,408	138,210
Total Liabilities and Shareholders' Equity	$ 238,110	$ 213,717

See Accompanying Notes to the Consolidated Financial Statements.

MESTEK, INC.
CONSOLIDATED STATEMENTS OF INCOME
For the years ended December 31, 2014 and 2013

	2014	2013
	(Dollars and Shares in thousands, except earnings per common share)	
Net Sales	$ 345,464	$ 331,851
Cost of Goods Sold	233,669	224,740
Gross Profit	111,795	107,111
Selling Expense	43,360	38,791
General and Administrative Expense	26,598	27,526
Engineering Expense	12,632	11,143
Loss on Impairment or Sale of Property and Equipment	36	1,534
Plant Shutdown Expense and Other Charges	1,255	321
Operating Profit	27,914	27,796
Interest Income (Expense) – net	(80)	(43)
Other Income (Expense) – net	(6)	269
Income from Operations Before Income Taxes	27,828	28,022
Provision for Income Taxes	10,385	11,393
Net Income	17,443	16,629
Less: Net Income – Non-controlling Interest	73	36
Net Income attributable to Mestek, Inc.	$ 17,370	$ 16,593
Basic and Diluted Earnings per Common Share	$ 2.32	$ 2.22
Basic and Diluted Weighted Average Shares Outstanding	7,491	7,491

See Accompanying Notes to the Consolidated Financial Statements.

MESTEK, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2014 and 2013

	2014	2013
	(Dollars and Shares in thousands, except Earnings per common share)	
Net Income	$ 17,443	$ 16,629
Other Comprehensive Income, net of tax		
Foreign Currency Translation Adjustments	(1,019)	(289)
Defined Benefit Pension Plans:		
Net Gain (Loss) Arising During Period	(741)	1,262
Amortization of Net Loss	148	429
Defined Benefit Pension Plans Cost	(593)	1,691
Other Comprehensive Income (Loss) before tax	(1,612)	1,402
Income Tax Benefit (Expense) Related To Components of Other Comprehensive Income (Loss)	237	(676)
Other Comprehensive Income (Loss)	(1,375)	726
Comprehensive Income	16,068	17,355
Less: comprehensive Income—Non-controlling Interest	(73)	(36)
Comprehensive Income Attributable to Mestek, Inc.	$ 15,995	$ 17,319

See Accompanying Notes to the Consolidated Financial Statements.

MESTEK, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the years ended December 31, 2014 and 2013

(Dollars in thousands)	Common Stock	Paid In Capital	Retained Earnings	Treasury Shares	Accumulated Other Comprehensive Income	Non-Controlling Interests	Total
Balance – December 31, 2012	$ 417	$ 4,794	$ 124,666	$ (11,293)	$ 511	$ 1,028	$120,123
Net Income			16,593			36	16,629
Cumulative Translation Adjustment					(289)		(289)
Changes in Minimum Liability – Defined Benefit Plan – Net of Tax					1,015		1,015
Sale of Non-Controlling Interest in Subsidiary						602	602
Stock Based Compensation		130					130
Balance – December 31, 2013	417	4,924	141,259	(11,293)	1,237	1,666	138,210
Net Income			17,370			73	17,443
Cumulative Translation Adjustment					(1,019)		(1,019)
Changes in Minimum Liability – Defined Benefit Plan – Net of Tax					(356)		(356)
Stock Based Compensation		130					130
Balance – December 31, 2014	$ 417	$ 5,054	$ 158,629	$ (11,293)	$ (138)	$ 1,739	$ 154,408

See Accompanying Notes to the Consolidated Financial Statements

MESTEK, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2014 and 2013

	2014	2013
	(Dollars in thousands)	
Cash Flows from Operating Activities:		
Net Income	$ 17,443	$ 16,629
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	4,847	4,798
Unrealized Loss (Gain) on Trading Securities	1,074	(104)
Provision for Deferred Taxes	5,080	4,336
Stock Compensation Expense	130	130
Provision for Losses on Accounts Receivable, net of write-offs and recoveries	142	359
Loss on Sale of Property and Equipment	36	1,534
Change in Assets and Liabilities:		
Accounts Receivable	(3,620)	3,520
Inventory	(6,736)	5,923
Accounts Payable	826	(2,294)
Customer Deposits	6,378	(2,870)
Environmental Reserves	(669)	(616)
Other Assets and Liabilities, net	(1,059)	5,970
Net Cash Provided by Operating Activities	23,872	37,315
Cash Flows from Investing Activities:		
Capital Expenditures	(6,594)	(7,402)
Acquisitions	-	(550)
Proceeds from Sale of Fixed Assets	782	-
Net Cash Used in Investing Activities	(5,812)	(7,952)
Cash Flows from Financing Activities:		
Net Borrowings (Repayments) Under Revolving Credit Agreements	-	(1,259)
Principal Payments Under Long-Term Debt Obligations	(197)	(263)
Sale of non-controlling interest in subsidiary	-	602
Net Cash Used in Financing Activities	(197)	(920)
Net Increase in Cash and Cash Equivalents	17,863	28,443
Exchange Rate Effect on Cash and Cash Equivalents	37	209
Cash and Cash Equivalents - Beginning of Period	36,508	7,856
Cash and Cash Equivalents - End of Period	$ 54,408	$ 36,508
Supplemental Disclosures of Non-Cash Investing and Financing Activities		
Summary of Entities Acquired in Purchase Business Combinations		
Fair Value of Net Assets Acquired and Goodwill	$ -	$ 764
Cash Paid, Net Of Cash Acquired	$ -	$ 550
Holdbacks and Contingent Consideration	-	214
Total Consideration Paid	$ -	$ 764

See Accompanying Notes to the Consolidated Financial Statements.