

Reconciliation of EPS to Adjusted EPS

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Earnings per share of common stock - assuming dilution (EPS) ⁽¹⁾ | \$5.36 | \$6.04 | \$6.21 | \$2.00 | \$8.98 | \$8.41 |
| Pension mark-to-market ⁽²⁾ | 0.23 | 0.06 | 0.28 | 0.09 | 0.04 | 0.13 |
| Separation costs ⁽³⁾ | - | - | - | 0.02 | 0.97 | - |
| Impacts from U.S. Tax Reform | - | - | - | 5.04 | (1.98) | (0.38) |
| Debt refinancing expense ⁽²⁾ | - | - | 0.12 | - | - | - |
| Adjusted earnings per share of common stock - assuming dilution | <u>\$5.59</u> | <u>\$6.10</u> | <u>\$6.61</u> | <u>\$7.15</u> | <u>\$8.01</u> | <u>\$8.16</u> |

(1) 2019 adjusted earnings per share utilizes weighted average shares 730.3 million
2018 adjusted earnings per share utilizes weighted average shares 753.0 million.
2017 adjusted earnings per share utilizes weighted average shares 772.1 million.
2016 adjusted earnings per share utilizes weighted average shares 775.3 million.
2015 adjusted earnings per share utilizes weighted average shares 789.3 million.
2014 adjusted earnings per share utilizes weighted average shares 795.2 million.

(2) Pension mark-to-market uses a blended tax rate of 28.1%, 36.1%, 21.3%, 23%, 24%, and 24%. Debt refinancing expense uses a tax rate of 26.5%.

(3) For the twelve months ended December 31, 2018, separation costs of \$732 million including net tax impacts. For the twelve months ended December 31, 2017, separation costs of \$14 million including net tax impacts.

We believe Adjusted EPS is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.