

ACMAT CORPORATION AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the three months and nine months ended September 30, 2020 and 2019

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenues:				
Revenues	\$ 860,522	\$ 1,022,836	\$ 1,118,899	\$ 3,129,714
<i>Deduct:</i>				
Unrealized capital gains (losses) on equity securities	166,075	182,355	(1,337,375)	595,362
Adjusted revenues (1)	<u>\$ 694,447</u>	<u>\$ 840,481</u>	<u>\$ 2,456,274</u>	<u>\$ 2,534,352</u>
Net earnings:				
Net earnings (losses)	\$ 250,713	\$ 403,308	\$ (664,794)	\$ 921,904
<i>Deduct:</i>				
Unrealized capital gains (losses) on equity securities	166,075	182,355	(1,337,375)	595,362
Provision for income taxes	(34,876)	(38,294)	280,849	(125,026)
Non-GAAP adjustment	131,199	144,061	(1,056,526)	470,336
Adjusted net earnings (1)	<u>\$ 119,514</u>	<u>\$ 259,247</u>	<u>\$ 391,732</u>	<u>\$ 451,568</u>
Earnings (losses) per share: (2)				
Net earnings (losses) per share attributable to Common and Class A shareholders, basic and diluted	\$ 0.32	\$ 0.51	\$ (0.85)	\$ 1.16
<i>Deduct:</i>				
Per share effect of Non-GAAP adjustments	0.17	0.18	(1.35)	0.59
Adjusted net earnings per share attributable to Common and Class A shareholders, basic and diluted	<u>\$ 0.15</u>	<u>\$ 0.33</u>	<u>\$ 0.50</u>	<u>\$ 0.57</u>

(1) The Company recognizes the changes in the fair value of marketable equity securities in revenues and, consequently, net earnings and losses. Management has presented information excluding the effects of this item to provide shareholders and other stakeholders a measure of controllable revenues and operating income.

(2) Earnings and losses per share are presented in the aggregate. Common stock and Class A stock share equally in the profits and losses of the Company.