

ACMAT CORPORATION AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the three months and year ended December 31, 2020 and 2019

	Three Months Ended December 31,		Year Ended December 31,	
	2020	2019	2020	2019
Revenues:				
Revenues	\$ 1,903,280	\$ 876,924	\$ 3,022,179	\$ 4,006,638
Deduct:				
Unrealized capital gains (losses) on equity securities	1,210,117	351,234	(127,258)	946,596
Adjusted revenues (1)	<u>\$ 693,163</u>	<u>\$ 525,690</u>	<u>\$ 3,149,437</u>	<u>\$ 3,060,042</u>
Net earnings:				
Net earnings	\$ 1,360,811	\$ 600,567	\$ 696,017	\$ 1,522,471
Deduct:				
Unrealized capital gains (losses) on equity securities	1,210,117	351,234	(127,258)	946,596
Provision for income taxes	(254,125)	(73,759)	26,724	(198,785)
Non-GAAP adjustment	955,992	277,475	(100,534)	747,811
Adjusted net earnings (1)	<u>\$ 404,819</u>	<u>\$ 323,092</u>	<u>\$ 796,551</u>	<u>\$ 774,660</u>
Earnings per share: (2)				
Net earnings per share attributable to Common and Class A shareholders, basic and diluted	\$ 1.74	\$ 0.76	\$ 0.89	\$ 1.92
Deduct:				
Per share effect of Non-GAAP adjustments	1.22	0.35	(0.13)	0.94
Adjusted net earnings per share attributable to Common and Class A shareholders, basic and diluted	<u>\$ 0.52</u>	<u>\$ 0.41</u>	<u>\$ 1.02</u>	<u>\$ 0.98</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.