

**LEXMARK INTERNATIONAL, INC. AND SUBSIDIARIES**  
**CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS**  
(In Millions, Except Per Share Amounts)  
(Unaudited)

	<b>Three Months Ended March 31</b>	
	<b><u>2002</u></b>	<b><u>2001</u></b>
Revenue	\$1,050.1	\$988.0
Cost of revenue	<u>740.5</u>	<u>665.5</u>
Gross profit	<u>309.6</u>	<u>322.5</u>
Research and development	61.2	62.2
Selling, general and administrative	<u>143.8</u>	<u>142.6</u>
Operating expense	<u>205.0</u>	<u>204.8</u>
Operating income	104.6	117.7
Interest expense	3.1	2.8
Other	<u>4.2</u>	<u>4.2</u>
Earnings before income taxes	97.3	110.7
Provision for income taxes	<u>25.8</u>	<u>31.0</u>
Net earnings	<u>\$ 71.5</u>	<u>\$ 79.7</u>
Net earnings per share:		
Basic	<u>\$ 0.55</u>	<u>\$ 0.62</u>
Diluted	<u>\$ 0.53</u>	<u>\$ 0.60</u>
Shares used in per share calculation:		
Basic	<u>130.6</u>	<u>128.0</u>
Diluted	<u>134.0</u>	<u>132.7</u>

Note: Certain 2001 amounts have been reclassified due to the company's adoption of EITF 00-25. Details of this reclassification are available at <http://investor.lexmark.com>.

**LEXMARK INTERNATIONAL, INC. AND SUBSIDIARIES**  
**CONSOLIDATED CONDENSED STATEMENTS OF FINANCIAL POSITION**  
(In Millions)  
(Unaudited)

	<b>March 31 2002</b>	<b>December 31 2001</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 115.0	\$ 90.7
Trade receivables, net	680.4	702.8
Inventories	457.9	455.1
Prepaid expenses and other current assets	<u>243.5</u>	<u>244.5</u>
Total current assets	1,496.8	1,493.1
Property, plant and equipment, net	785.7	800.4
Other assets	<u>155.6</u>	<u>156.4</u>
Total assets	<u>\$2,438.1</u>	<u>\$2,449.9</u>
 <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Short-term debt	\$ 11.8	\$ 11.0
Accounts payable	374.7	384.7
Accrued liabilities	<u>541.5</u>	<u>535.4</u>
Total current liabilities	928.0	931.1
Long-term debt	149.1	149.1
Other liabilities	<u>274.0</u>	<u>293.8</u>
Total liabilities	<u>1,351.1</u>	<u>1,374.0</u>
Stockholders' equity:		
Preferred stock	-	-
Common stock and capital in excess of par	822.2	807.8
Retained earnings	1,360.6	1,289.1
Treasury stock	(956.4)	(879.8)
Accumulated other comprehensive loss	<u>(139.4)</u>	<u>(141.2)</u>
Total stockholders' equity	<u>1,087.0</u>	<u>1,075.9</u>
Total liabilities and stockholders' equity	<u>\$2,438.1</u>	<u>\$2,449.9</u>