



Lennox International Announces 2014 Financial Guidance

December 18, 2013

DALLAS, Dec. 18, 2013 /PRNewswire/ -- Lennox International Inc. (NYSE: LII) today announced its financial guidance for 2014. The company expects:

- Revenue growth of 3-7%, with a neutral impact from foreign exchange
- Adjusted and GAAP EPS from continuing operations of \$4.20-\$4.60
- Tax rate of 34-35%
- Stock repurchases of \$150 million
- Capital expenditures of approximately \$90 million

The company also updated its financial guidance for the current year, raising the low end of revenue and EPS guidance for the full year of 2013:

- Raising the low end of revenue growth guidance from 6-8% to 7-8%; foreign exchange is still expected to have a neutral impact on a full-year basis
- Raising the low end of adjusted EPS from continuing operations guidance from \$3.50-\$3.75 to \$3.60-\$3.75
- Raising the low end of GAAP EPS from continuing operations guidance from \$3.43-\$3.68 to \$3.53-\$3.68
- Reiterating tax rate of 34-35%
- Reiterating stock repurchases of \$125 million
- Capital expenditures are now expected to be approximately \$75 million, up from prior guidance of approximately \$60 million

As previously announced, Lennox International is hosting an investment community meeting in New York today, starting at 9:00 a.m. Eastern time. The company will discuss strategic, operational, and financial information, including the company's outlook for 2014 and beyond. The presentation will be webcast and the presentation materials will be accessible on the company's website at www.lennoxinternational.com.

Lennox International Inc. is a global leader in the heating, air conditioning, and refrigeration markets. Lennox International stock is traded on the New York Stock Exchange under the symbol "LII." Additional information is available at: www.lennoxinternational.com or by contacting Steve Harrison, Vice President, Investor Relations, at 972-497-6670.

Forward-Looking Statements

The statements in this news release that are not historical statements, including statements regarding expected financial results for 2013 and 2014, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from the results expressed or implied by the statements. Risks and uncertainties that could cause actual results to differ materially from such statements include, but are not limited to: the impact of higher raw material prices, LII's ability to implement price increases for its products and services, the impact of unfavorable weather, a decline in new construction activity and the related demand for products and services, and those factors listed in Item 1A of LII's Annual Report on Form 10-K for the year ended December 31, 2012 (the "10-K"), which are incorporated by reference. For information concerning these and other risks and uncertainties, see the 10-K and LII's other publicly available filings with the Securities and Exchange Commission. LII disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

LENNOX INTERNATIONAL INC. AND SUBSIDIARIES

Reconciliation to U.S. GAAP (Generally Accepted Accounting Principles) Measures (In millions, except per share data)

Use of Non-GAAP Financial Measures

To supplement the Company's estimated 2013 and 2014 financial results presented in accordance with U.S. GAAP, additional non-GAAP financial measures are provided and reconciled in the following table. The Company believes that these non-GAAP financial measures, when considered together with the GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results. The Company believes that these non-GAAP financial measures enhance the ability of investors to analyze the Company's business trends and operating performance.

Reconciliation of Estimated Adjusted Income per Share from Continuing Operations - Diluted, a Non-GAAP Measure, to Income per Share from Continuing Operations - Diluted, a GAAP Measure

| | For the Year Ended December 31, 2014 ESTIMATED | For the Year Ended December 31, 2013 ESTIMATED |
|---|---|---|
| Adjusted income per share from continuing operations - diluted, a Non-GAAP measure | \$4.20 - \$4.60 | \$3.60 - \$3.75 |
| Restructuring charges and other items | - | (0.07) |
| Income per share from continuing operations - diluted, a GAAP measure | \$4.20 - \$4.60 | \$3.53 - \$3.68 |

SOURCE Lennox International Inc.