

## A. O. SMITH CORPORATION

### Business Segments

(dollars in millions)

(unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Net sales				
North America	\$ 470.7	\$ 432.8	\$ 958.0	\$ 856.7
Rest of World	272.8	239.8	532.3	457.3
Inter-segment	(5.3)	(5.6)	(12.1)	(10.1)
	<u>\$ 738.2</u>	<u>\$ 667.0</u>	<u>\$ 1,478.2</u>	<u>\$ 1,303.9</u>
Earnings				
North America	\$ 109.2	\$ 104.2	\$ 213.4	\$ 196.1
Rest of World	32.5	33.0	65.0	59.8
Inter-segment	(0.1)	-	(0.2)	-
	<u>141.6</u>	<u>137.2</u>	<u>278.2</u>	<u>255.9</u>
Corporate expense	(11.1)	(11.2)	(25.1)	(24.6)
Interest expense	<u>(2.5)</u>	<u>(1.9)</u>	<u>(4.7)</u>	<u>(3.6)</u>
Earnings before income taxes	128.0	124.1	248.4	227.7
Tax provision	<u>35.6</u>	<u>37.0</u>	<u>68.3</u>	<u>67.1</u>
Net earnings	<u>\$ 92.4</u>	<u>\$ 87.1</u>	<u>\$ 180.1</u>	<u>\$ 160.6</u>