

A. O. SMITH CORPORATION

Statement of Earnings

(condensed consolidated financial statements -
dollars in millions, except share data)
(unaudited)

	Three Months Ended	
	March 31,	
	2018	2017
Net sales	\$ 788.0	\$ 740.0
Cost of products sold	<u>466.5</u>	<u>439.1</u>
Gross profit	321.5	300.9
Selling, general and administrative expenses	192.9	183.2
Restructuring and impairment expenses	6.7	-
Interest expense	2.3	2.2
Other income	<u>(5.8)</u>	<u>(4.9)</u>
Earnings before provision for income taxes	125.4	120.4
Provision for income taxes	<u>26.6</u>	<u>32.7</u>
Net earnings	\$ <u>98.8</u>	\$ <u>87.7</u>
Diluted earnings per share of common stock	\$ <u>0.57</u>	\$ <u>0.50</u>
Average common shares outstanding (000's omitted)	173,351	175,420