

**A. O. SMITH CORPORATION**  
**Adjusted 2018 EPS Guidance and Adjusted 2017 EPS**  
(unaudited)

The following is a reconciliation of diluted EPS to adjusted EPS (non-GAAP) (all items are net of tax):

	<u>2018 Guidance</u>	<u>2017</u>
<b>Diluted EPS (GAAP)</b>	\$ 2.54 - 2.57	\$ 1.70
Restructuring and impairment expenses per diluted share	0.03	-
U.S. Tax Reform income tax expense per diluted share	<u>-</u>	<u>0.47</u>
<b>Adjusted EPS</b>	<u><u>\$ 2.57 - 2.60</u></u>	<u><u>\$ 2.17</u></u>