

A. O. SMITH CORPORATION

Business Segments

(dollars in millions)

	Three Months Ended December 31, (unaudited)		Twelve Months Ended December 31, (unaudited)	
	2018	2017	2018	2017
	Net sales			
North America	\$ 521.9	\$ 460.8	\$ 2,044.7	\$ 1,904.8
Rest of World	297.6	313.8	1,173.6	1,116.3
Inter-segment sales	(7.0)	(6.0)	(30.4)	(24.4)
	<u>\$ 812.5</u>	<u>\$ 768.6</u>	<u>\$ 3,187.9</u>	<u>\$ 2,996.7</u>
Earnings				
North America ⁽¹⁾	\$ 127.6	\$ 104.9	\$ 464.1	\$ 428.6
Rest of World	39.5	50.8	149.3	149.3
	<u>167.1</u>	<u>155.7</u>	<u>613.4</u>	<u>577.9</u>
Corporate expense	(10.5)	(12.0)	(47.2)	(47.0)
Interest expense	<u>(1.8)</u>	<u>(2.9)</u>	<u>(8.4)</u>	<u>(10.1)</u>
Earnings before income taxes	154.8	140.8	557.8	520.8
Tax provision	28.5	118.1	113.6	224.3
Net earnings	<u>\$ 126.3</u>	<u>\$ 22.7</u>	<u>\$ 444.2</u>	<u>\$ 296.5</u>
⁽¹⁾ includes restructuring and impairment expenses of:	\$ -	\$ -	\$ 6.7	\$ -