

A. O. SMITH CORPORATION
Statement of Cash Flows
(dollars in millions)
(unaudited)

	Three Months Ended	
	March 31,	
	2019	2018
Operating Activities		
Net earnings	\$ 89.3	\$ 98.8
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation & amortization	20.2	17.9
Stock based compensation expense	8.7	6.5
Net changes in operating assets and liabilities:		
Current assets and liabilities	(86.3)	(70.4)
Noncurrent assets and liabilities	(10.3)	(9.6)
Cash Provided by Operating Activities	21.6	43.2
Investing Activities		
Capital expenditures	(20.9)	(17.3)
Investment in marketable securities	(48.5)	(84.7)
Net proceeds from sale of marketable securities	147.2	136.9
Cash Provided by Investing Activities	77.8	34.9
Financing Activities		
Long-term debt incurred (repaid)	63.0	(117.3)
Common stock repurchases	(45.6)	(33.1)
Net payments from stock option activity	(1.6)	(1.4)
Dividends paid	(37.1)	(31.0)
Cash Used In Financing Activities	(21.3)	(182.8)
Net increase (decrease) in cash and cash equivalents	78.1	(104.7)
Cash and cash equivalents - beginning of period	259.7	346.6
Cash and Cash Equivalents - End of Period	\$ 337.8	\$ 241.9