

A. O. SMITH CORPORATION

Adjusted Segment Earnings

(dollars in millions)

(unaudited)

The following is a reconciliation of reported segment earnings to adjusted segment earnings (non-GAAP):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
Segment Earnings (GAAP)				
North America	\$ 128.4	\$ 127.6	\$ 488.9	\$ 464.1
Rest of World	1.5	39.5	40.2	149.3
Total Segment Earnings (GAAP)	<u>\$ 129.9</u>	<u>\$ 167.1</u>	<u>\$ 529.1</u>	<u>\$ 613.4</u>
Adjustments:				
North America restructuring and impairment expenses	\$ -	\$ -	\$ -	\$ 6.7
Rest of World	-	-	-	-
Total Adjustments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6.7</u>
Adjusted Segment Earnings				
North America	\$ 128.4	\$ 127.6	\$ 488.9	\$ 470.8
Rest of World	1.5	39.5	40.2	149.3
Total Adjusted Segment Earnings	<u>\$ 129.9</u>	<u>\$ 167.1</u>	<u>\$ 529.1</u>	<u>\$ 620.1</u>