

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

	Twelve Months Ended December 31,	
	(unaudited)	
	2019	2018
Operating Activities		
Net earnings	\$ 370.0	\$ 444.2
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation & amortization	78.3	71.9
Stock based compensation expense	13.3	10.1
Net changes in operating assets and liabilities, net of acquisitions:		
Current assets and liabilities	32.6	(40.0)
Noncurrent assets and liabilities	(38.0)	(37.3)
Cash Provided by Operating Activities	456.2	448.9
Investing Activities		
Capital expenditures	(64.4)	(85.2)
Acquisition	(107.0)	-
Investment in marketable securities	(272.7)	(523.4)
Net proceeds from sale of marketable securities	478.0	595.9
Cash Provided By (Used In) Investing Activities	33.9	(12.7)
Financing Activities		
Long-term debt incurred (repaid)	62.6	(189.0)
Common stock repurchases	(287.7)	(202.6)
Payment of contingent consideration	(1.0)	(2.3)
Net (payments) proceeds from stock option activity	(0.5)	0.9
Dividends paid	(149.2)	(130.1)
Cash Used In Financing Activities	(375.8)	(523.1)
Net increase (decrease) in cash and cash equivalents	114.3	(86.9)
Cash and cash equivalents - beginning of period	259.7	346.6
Cash and Cash Equivalents - End of Period	\$ 374.0	\$ 259.7