

A. O. SMITH CORPORATION
Adjusted Earnings and Adjusted EPS
(dollars in millions, except per share data)
(unaudited)

The following is a reconciliation of net earnings and diluted EPS to adjusted earnings (non-GAAP) and adjusted EPS (non-GAAP):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
Net Earnings (GAAP)	\$ 91.3	\$ 126.3	\$ 370.0	\$ 444.2
Restructuring and impairment expenses, before tax	-	-	-	6.7
Tax effect of restructuring and impairment expenses	-	-	-	(1.7)
Adjusted Earnings	<u>\$ 91.3</u>	<u>\$ 126.3</u>	<u>\$ 370.0</u>	<u>\$ 449.2</u>
Diluted EPS (GAAP)	\$ 0.56	\$ 0.74	\$ 2.22	\$ 2.58
Restructuring and impairment expenses per diluted share, before tax	-	-	-	0.04
Tax effect of restructuring and impairment expenses per diluted share	-	-	-	(0.01)
Adjusted EPS	<u>\$ 0.56</u>	<u>\$ 0.74</u>	<u>\$ 2.22</u>	<u>\$ 2.61</u>