

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 June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net Earnings (GAAP)	\$ 67.8	\$ 102.1	\$ 119.5	\$ 191.4
Severance and restructuring expenses, before tax	6.1	-	6.1	-
Tax effect of severance and restructuring expenses	(1.1)	-	(1.1)	-
Adjusted Earnings	<u>\$ 72.8</u>	<u>\$ 102.1</u>	<u>\$ 124.5</u>	<u>\$ 191.4</u>
Diluted EPS (GAAP)	\$ 0.42	\$ 0.61	\$ 0.74	\$ 1.14
Severance and restructuring expenses per diluted share, before tax	0.04	-	0.04	-
Tax effect of severance and restructuring expenses per diluted share	(0.01)	-	(0.01)	-
Adjusted EPS	<u>\$ 0.45</u>	<u>\$ 0.61</u>	<u>\$ 0.77</u>	<u>\$ 1.14</u>