

## A. O. SMITH CORPORATION

### Statement of Earnings

(condensed consolidated financial statements -  
dollars in millions, except share data)  
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net sales	\$ 663.9	\$ 765.4	\$ 1,300.8	\$ 1,513.6
Cost of products sold	416.4	456.7	813.8	912.1
Gross profit	<u>247.5</u>	<u>308.7</u>	<u>487.0</u>	<u>601.5</u>
Selling, general and administrative expenses	155.9	178.7	329.7	363.4
Severance and restructuring expenses	6.1	-	6.1	-
Interest expense	2.5	3.4	4.7	5.4
Other income	(4.0)	(5.6)	(8.2)	(11.1)
Earnings before provision for income taxes	<u>87.0</u>	<u>132.2</u>	<u>154.7</u>	<u>243.8</u>
Provision for income taxes	<u>19.2</u>	<u>30.1</u>	<u>35.2</u>	<u>52.4</u>
<b>Net earnings</b>	<u>\$ 67.8</u>	<u>\$ 102.1</u>	<u>\$ 119.5</u>	<u>\$ 191.4</u>
<b>Diluted earnings per share of common stock</b>	<u>\$ 0.42</u>	<u>\$ 0.61</u>	<u>\$ 0.74</u>	<u>\$ 1.14</u>
Average common shares outstanding (000's omitted)	162,174	168,086	162,536	168,588