

## A. O. SMITH CORPORATION

### Business Segments

(dollars in millions)

(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net sales				
North America	\$ 544.0	\$ 514.6	\$ 1,557.4	\$ 1,560.4
Rest of World	221.4	220.3	521.3	701.5
Inter-segment sales	(5.4)	(6.7)	(17.9)	(20.1)
	<u>\$ 760.0</u>	<u>\$ 728.2</u>	<u>\$ 2,060.8</u>	<u>\$ 2,241.8</u>
Earnings (losses)				
North America <sup>(1)</sup>	\$ 133.1	\$ 121.6	\$ 365.6	\$ 360.5
Rest of World <sup>(2)</sup>	16.7	4.1	(31.3)	38.8
Inter-segment earnings elimination	-	-	(0.3)	(0.1)
	<u>149.8</u>	<u>125.7</u>	<u>334.0</u>	<u>399.2</u>
Corporate expense	(10.9)	(9.8)	(35.7)	(34.1)
Interest expense	<u>(1.6)</u>	<u>(3.1)</u>	<u>(6.3)</u>	<u>(8.5)</u>
Earnings before income taxes	137.3	112.8	292.0	356.6
Tax provision	31.9	25.5	67.1	77.9
Net earnings	<u>\$ 105.4</u>	<u>\$ 87.3</u>	<u>\$ 224.9</u>	<u>\$ 278.7</u>
<sup>(1)</sup> includes severance and restructuring expenses of:	\$ 0.5	\$ -	\$ 2.7	\$ -
<sup>(2)</sup> includes severance and restructuring expenses of:	\$ 1.1	\$ -	\$ 5.0	\$ -