

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,	
	2020	2019	2020	2019
Net Earnings (GAAP)	\$ 120.0	\$ 91.3	\$ 344.9	\$ 370.0
Severance and restructuring expenses, before tax	-	-	7.7	-
Tax effect of severance and restructuring expenses	-	-	(1.4)	-
Adjusted Earnings	<u>\$ 120.0</u>	<u>\$ 91.3</u>	<u>\$ 351.2</u>	<u>\$ 370.0</u>
Diluted EPS (GAAP)	\$ 0.74	\$ 0.56	\$ 2.12	\$ 2.22
Severance and restructuring expenses per diluted share, before tax	-	-	0.05	-
Tax effect of severance and restructuring expenses per diluted share	-	-	(0.01)	-
Adjusted EPS	<u>\$ 0.74</u>	<u>\$ 0.56</u>	<u>\$ 2.16</u>	<u>\$ 2.22</u>